

AMENDED IN ASSEMBLY AUGUST 5, 2013

AMENDED IN ASSEMBLY JUNE 14, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 16, 2013

AMENDED IN SENATE APRIL 3, 2013

AMENDED IN SENATE MARCH 12, 2013

SENATE BILL

No. 192

Introduced by Senator Liu

February 7, 2013

An act to amend Sections 8200, 8201, 8202, 8203, 8203.5, 8204, 8205, 8206, 8208, 8208.1, 8208.5, 8209, 8210, 8211, 8212, 8212.3, 8213, 8214, 8215, 8216, 8220, 8220.1, 8220.5, 8222, 8223, 8225, 8226, 8227, 8230, 8232, 8233, 8235, 8236, 8236.1, 8238.4, 8239, 8244, 8250, 8250.5, 8251, 8252, 8255, 8257, 8258, 8261, 8261.5, 8262, 8263, 8263.2, 8263.3, 8263.4, 8264, 8264.5, 8264.6, 8264.7, 8265, 8266, 8266.1, 8272, 8275, 8276.7, 8277, 8277.8, 8278.3, 8279.1, 8279.3, 8279.4, 8279.5, 8279.7, 8282, 8320, 8321, 8324, 8327, 8328, 8329, 8335.1, 8335.5, 8341, 8341.5, 8342, 8343, 8344, 8350, 8352, 8353, 8354, 8355, 8356, 8357, 8358, 8358.5, 8359.1, 8360, 8360.2, 8400, 8401, 8402, 8406.7, 8447, 8448, 8450, 8493, 8494, 8495, 8495.1, 8498, 8499, 8499.3, and 8499.5 of, to amend the heading of Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of, to amend the headings of Article 6 (commencing with Section 8230), Article 7 (commencing with Section 8235), Article 8 (commencing with Section 8240), Article 9 (commencing with Section 8250), Article 15.2 (commencing with Section 8335), Article 15.3 (commencing with Section 8340), Article 15.5 (commencing with Section 8350), and

Article 16 (commencing with Section 8360), of Chapter 2 of Part 6 of Division 1 of Title 1 of, to amend the heading of Article 2 (commencing with Section 8499.3) of Chapter 2.3 of Part 6 of Division 1 of Title 1 of, to amend, repeal, and add Sections 8231 and 8240 of, to add Sections 8220.3 and 8220.6 to, to add Article 5 (commencing with Section 8228) to Chapter 2 of Part 6 of Division 1 of Title 1 of, and to repeal and add Sections 8264.8 and 8360.1 of, the Education Code, relating to early learning and educational support services.

LEGISLATIVE COUNSEL'S DIGEST

SB 192, as amended, Liu. Early learning and educational support services.

The Child Care and Development Services Act, administered by the Superintendent of Public Instruction, requires the Superintendent to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs.

This bill would reorganize and recast those provisions as the Early Learning and Educational Support Act, and would require the Superintendent to develop standards for the implementation of high-quality early learning and educational support programs based on certain indicia of quality, including, but not limited to, program activities and services that meet the needs of children with exceptional needs and diverse abilities. The bill would require certain information to be given to parents who receive services from resource and referral programs and alternative payment programs. The bill would delete obsolete provisions, make other related and conforming changes, and make nonsubstantive changes.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. The heading of Chapter 2 (commencing with
- 2 Section 8200) of Part 6 of Division 1 of Title 1 of the Education
- 3 Code is amended to read:

1 CHAPTER 2. EARLY LEARNING AND EDUCATIONAL SUPPORT
2 ACT

3
4 SEC. 2. Section 8200 of the Education Code is amended to
5 read:

6 8200. This chapter shall be known and may be cited as the
7 Early Learning and Educational Support Act.

8 SEC. 3. Section 8201 of the Education Code is amended to
9 read:

10 8201. The purpose of this chapter is as follows:

11 (a) To provide a comprehensive, coordinated, and cost-effective
12 system of early learning and educational support services for
13 children from infancy to 13 years of age and their parents, including
14 a full range of supervision, health, and support services through
15 full- and part-time programs.

16 (b) To encourage community-level coordination in support of
17 early learning and educational support services.

18 (c) To provide an environment that is healthy and nurturing for
19 all children in early learning and educational support programs.

20 (d) To provide the opportunity for positive parenting to take
21 place through understanding of human growth and development.

22 (e) To reduce strain between parent and child in order to prevent
23 abuse, neglect, or exploitation.

24 (f) To enhance the cognitive development of children, with
25 particular emphasis upon those children who require special
26 assistance, including bilingual capabilities to attain their full
27 potential.

28 (g) To establish a framework for the expansion of early learning
29 and educational support services.

30 (h) To empower and encourage parents and families of children
31 who require early learning and educational support services to take
32 responsibility to review the safety of the program or facility and
33 to evaluate the ability of the program or facility to meet the needs
34 of the child.

35 SEC. 4. Section 8202 of the Education Code is amended to
36 read:

37 8202. It is the intent of the Legislature that:

38 (a) All families have access to early learning and educational
39 support services, through resource and referral services, where
40 appropriate, regardless of ethnic status, cultural background, or

1 special needs. It is further the intent that subsidized early learning
2 and educational support services be provided to persons meeting
3 the eligibility criteria established under this chapter to the extent
4 funding is made available by the Legislature and Congress.

5 (b) The healthy physical, cognitive, social, and emotional growth
6 and development of children be supported.

7 (c) Families achieve and maintain their personal, social,
8 economic, and emotional stability through an opportunity to attain
9 financial stability through employment, while maximizing growth
10 and development of their children, and enhancing their parenting
11 skills through participation in early learning and educational
12 support programs.

13 (d) Community-level coordination in support of early learning
14 and educational support services be encouraged.

15 (e) Families have a choice of programs that allow for maximum
16 involvement in planning, implementation, operation, and evaluation
17 of early learning and educational support programs.

18 (f) Parents and families be fully informed of their rights and
19 responsibilities to evaluate the quality and safety of programs,
20 including, but not limited to, their right to inspect child care
21 licensing files.

22 (g) Planning for expansion of early learning and educational
23 support programs be based on ongoing local needs assessments.

24 (h) The Superintendent, in providing funding to early learning
25 and educational support agencies, promote a range of services that
26 will allow parents the opportunity to choose the type of care most
27 suited to their needs. The program scope may include the
28 following:

29 (1) Programs located in centers, family day care homes, or in
30 the child's own home.

31 (2) Services provided part-day, full-day, and during nonstandard
32 hours including weekend care, night and shift care, before and
33 after school care, and care during holidays and vacation.

34 (3) Services provided for infants and toddlers, and preschool
35 and schoolage children.

36 (i) The Superintendent be responsible for the establishment of
37 a public hearing process or other public input process that ensures
38 the participation of those agencies directly affected by a particular
39 section or sections of this chapter.

1 SEC. 5. Section 8203 of the Education Code is amended to
2 read:

3 8203. The Superintendent shall develop standards for the
4 implementation of high-quality early learning and educational
5 support programs. Indicators of quality shall include, but not be
6 limited to:

7 (a) A physical environment that is safe and appropriate to the
8 ages and developmental needs of the children and that meets
9 applicable licensing standards.

10 (b) Program activities and services that are age appropriate and
11 meet the developmental needs of each child.

12 (c) Program activities and services that meet the cultural and
13 linguistic needs of children and families.

14 (d) Family and community engagement.

15 (e) Parent education.

16 (f) Efficient and effective local program administration.

17 (g) Staff that possesses the appropriate and required
18 qualifications or experience, or both. The appropriate staff
19 qualifications shall reflect the diverse linguistic and cultural
20 makeup of the children and families in the early learning and
21 educational support program. The use of intergenerational staff
22 shall be encouraged.

23 (h) Program activities and services that meet the needs of
24 children with exceptional needs and diverse abilities, and their
25 families.

26 (i) Support services for children, families, and providers of care.

27 (j) Resource and referral services.

28 (k) Alternative payment services.

29 (l) Provision for nutritional needs of children.

30 (m) Social services that include, but are not limited to,
31 identification of child and family needs and referral to appropriate
32 agencies.

33 (n) Developmental and health services, as defined in subdivision
34 (m) of Section 8208, that include referral of children to appropriate
35 agencies for services.

36 SEC. 6. Section 8203.5 of the Education Code is amended to
37 read:

38 8203.5. (a) The Superintendent shall ensure that each contract
39 entered into under this chapter to provide early learning and
40 educational support services, or to facilitate the provision of those

1 services, promotes children’s school readiness and subsequent
2 school success through the delivery of appropriate high-quality
3 educational services to the children served pursuant to the contract.

4 (b) The Superintendent shall ensure that all contracts for ~~direct~~
5 early learning services include a requirement that each provider
6 maintain a developmental profile to appropriately identify the
7 emotional, social, physical, and cognitive growth of each child
8 served in order to promote the child’s success in the public schools.
9 To the extent possible, the department shall provide a
10 developmental profile to all public and private providers using
11 existing profile instruments that are most cost efficient. The
12 provider of any program operated pursuant to a contract under
13 Section 8262 shall be responsible for maintaining developmental
14 profiles upon entry through exit from a program providing ~~direct~~
15 early learning services.

16 (c) This section is not subject to Part 34 (commencing with
17 Section 62000) of Division 4 of Title 2.

18 SEC. 7. Section 8204 of the Education Code is amended to
19 read:

20 8204. In recognition of the demonstrated relationship between
21 food and good nutrition and the capacity of children to develop
22 and learn, it is the policy of this state that no child shall be hungry
23 while in attendance in a child care and development facility as
24 defined in subdivision (h) of Section 8208 and that these facilities
25 have an obligation to provide for the nutritional needs of children
26 in attendance.

27 SEC. 8. Section 8205 of the Education Code is amended to
28 read:

29 8205. It is the intent of the Legislature that, in providing early
30 learning and educational support ~~programs~~ *programs*, the
31 Superintendent give priority to children of families that qualify
32 under applicable federal statutes or regulations as recipients of
33 public assistance and other low-income and disadvantaged families.
34 Federal reimbursement shall be claimed for any child receiving
35 services under this chapter for whom federal funds are available.

36 SEC. 9. Section 8206 of the Education Code is amended to
37 read:

38 8206. (a) The department is hereby designated as the single
39 state agency responsible for the promotion, development, and
40 provision of care of children in the absence of their parents during

1 the workday or while engaged in other activities that require
2 assistance of a third party or parties. The department shall
3 administer the federal Child Care and Development Fund.

4 (b) For purposes of this section, “Child Care and Development
5 Fund” has the same meaning as in Section 98.2 of Title 45 of the
6 Code of Federal Regulations.

7 (c) The department may create a list of high-quality early
8 learning and educational support resources to demonstrate
9 high-quality options available to parents. If the department creates
10 a list of resources, the list shall be posted on the department’s
11 Internet Web site and made available to both resource and referral
12 programs and alternative payment programs.

13 SEC. 10. Section 8208 of the Education Code is amended to
14 read:

15 8208. As used in this chapter:

16 (a) “Alternative payments” includes payments that are made by
17 one child care agency to another agency or child care provider for
18 the provision of early learning and educational support services,
19 and payments that are made by an agency to a parent for the
20 parent’s purchase of early learning and educational support
21 services.

22 (b) “Alternative payment program” means a local government
23 agency or nonprofit organization that has contracted with the
24 department pursuant to Section 8220.1 to provide alternative
25 payments and to provide support services to parents and providers.

26 (c) “Applicant or contracting agency” means a school district,
27 community college district, college or university, county
28 superintendent of schools, county, city, public agency, private
29 nontax-exempt agency, private tax-exempt agency, or other entity
30 that is authorized to establish, maintain, or operate services
31 pursuant to this chapter. Private agencies and parent cooperatives,
32 duly licensed by law, shall receive the same consideration as any
33 other authorized entity with no loss of parental decisionmaking
34 prerogatives as consistent with the provisions of this chapter.

35 (d) “Assigned reimbursement rate” is that rate established by
36 the contract with the agency and is derived by dividing the total
37 dollar amount of the contract by the minimum child day of average
38 daily enrollment level of service required.

39 (e) (1) “Attendance” means the number of children present at
40 a child care and development facility where services are provided.

1 (2) For purposes of reimbursement to ~~direct~~ early learning
2 services, attendance includes excused absences of children because
3 of illness, quarantine, illness or quarantine of their parent, family
4 emergency, or to spend time with a parent or other relative as
5 required by a court of law or that is clearly in the best interest of
6 the child.

7 (3) For purposes of reimbursement to providers through an
8 alternative payment program, attendance includes any of the
9 following:

10 (A) The hours of service provided that are broadly consistent
11 with certified hours of need.

12 (B) For families with variable schedules, the actual days and
13 hours of attendance up to the maximum certified hours.

14 (C) In the case of license-exempt providers that provide
15 part-time services, the actual days and hours of attendance.

16 (4) For purposes of reimbursement to providers through an
17 alternative payment program, contractors shall not be required to
18 track absences.

19 (f) “Capital outlay” means the amount paid for the renovation
20 and repair of child care and development facilities to comply with
21 state and local health and safety standards, and the amount paid
22 for the state purchase of relocatable child care and development
23 facilities for lease to qualifying contracting agencies.

24 (g) “Caregiver” means a person who provides direct care,
25 supervision, and guidance to children in a child care and
26 development facility.

27 (h) “Child care and development facility” means a residence or
28 building or part of a residence or building in which early learning
29 and educational support services are provided.

30 (i) “Children at risk of abuse, neglect, or exploitation” means
31 children who are so identified in a written referral from a legal,
32 medical, or social service agency, or emergency shelter.

33 (j) “Children with exceptional needs” means either of the
34 following:

35 (1) Infants and toddlers under three years of age who have been
36 determined to be eligible for early intervention services pursuant
37 to the California Early Intervention Services Act (Title 14
38 (commencing with Section 95000) of the Government Code) and
39 its implementing regulations. These children include an infant or
40 toddler with a developmental delay or established risk condition,

1 or who is at high risk of having a substantial developmental
2 disability, as defined in subdivision (a) of Section 95014 of the
3 Government Code. These children shall have active individualized
4 family service plans, shall be receiving early intervention services,
5 and shall be children who require the special attention of adults in
6 a child care setting.

7 (2) Children 3 to 21 years of age, inclusive, who have been
8 determined to be eligible for special education and related services
9 by an individualized education program team according to the
10 special education requirements contained in Part 30 (commencing
11 with Section 56000) of Division 4 of Title 2, and who meet
12 eligibility criteria described in Section 56026 and, Article 2.5
13 (commencing with Section 56333) of Chapter 4 of Part 30 of
14 Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the
15 California Code of Regulations. These children shall have an active
16 individualized education program, shall be receiving early
17 intervention services or appropriate special education and related
18 services, and shall be children who require the special attention of
19 adults in a child care setting. These children include children with
20 intellectual disabilities, hearing impairments (including deafness),
21 speech or language impairments, visual impairments (including
22 blindness), serious emotional disturbance (also referred to as
23 emotional disturbance), orthopedic impairments, autism, traumatic
24 brain injury, other health impairments, or specific learning
25 disabilities, who need special education and related services
26 consistent with Section 1401(3)(A) of Title 20 of the United States
27 Code.

28 (k) “Closedown costs” means reimbursements for all approved
29 activities associated with the closing of operations at the end of
30 each growing season for ~~direct~~ early learning programs serving
31 migrant populations pursuant to Article 6 (commencing with
32 Section 8230).

33 (l) “Cost” includes, but is not limited to, expenditures that are
34 related to the operation of early learning and educational support
35 programs. “Cost” may include a reasonable amount for state and
36 local contributions to employee benefits, including approved
37 retirement programs, agency administration, and any other
38 reasonable program operational costs. “Cost” may also include
39 amounts for licensable facilities in the community served by the
40 program, including lease payments or depreciation, downpayments,

1 and payments of principal and interest on loans incurred to acquire,
2 rehabilitate, or construct licensable facilities, but these costs shall
3 not exceed fair market rents existing in the community in which
4 the facility is located. “Reasonable and necessary costs” are costs
5 that, in nature and amount, do not exceed what an ordinary prudent
6 person would incur in the conduct of a competitive business.

7 (m) “Developmental and health services” include, but are not
8 limited to, all of the following:

9 (1) Referral, whenever possible, to appropriate health care
10 providers able to provide continuity of medical care.

11 (2) Developmental and health screening and health treatment,
12 including a full range of immunization recorded on the appropriate
13 state immunization form to the extent provided by the Medi-Cal
14 Act (Chapter 7 (commencing with Section 14000) of Part 3 of
15 Division 9 of the Welfare and Institutions Code) and the Child
16 Health and Disability Prevention Program (Article 6 (commencing
17 with Section 124025) of Chapter 3 of Part 2 of Division 106 of
18 the Health and Safety Code), but only to the extent that ongoing
19 care cannot be obtained utilizing community resources.

20 (3) Health education and training for children, parents, staff,
21 and providers.

22 (4) Followup treatment through referral to appropriate health
23 care agencies or individual health care professionals.

24 (n) ~~“Direct early”~~ “*Early learning programs*” means early
25 learning and educational support programs that serve children from
26 birth to 13 years of age, including, but not limited to, services for
27 infants and toddlers, preschool age children, schoolage children,
28 and children of migrant agricultural worker families.

29 (o) ~~“Direct early”~~ “*Early learning services*” means ~~direct~~ early
30 learning programs, family child care home education networks,
31 and programs that serve severely disabled children, that are
32 administered by the Superintendent pursuant to Article 5
33 (commencing with Section 8228).

34 (p) “*Early learning and educational support programs*” means
35 those programs that offer a full range of services designed to meet
36 a wide variety of needs of children, from birth to 13 years of age,
37 and their families. Services provided by an applicant or contracting
38 agency, may be for any part of the day that a parent is working, in
39 training, seeking employment, incapacitated, or in need of respite.

1 These services may include, but are not limited to, ~~direct~~ early
2 learning services and alternative payment programs.

3 (q) “Elementary school,” as contained in former Section 425 of
4 Title 20 of the United States Code (the National Defense Education
5 Act of 1958, Public Law 85-864, as amended), includes early
6 childhood education programs and all early learning and
7 educational support programs, for the purpose of the cancellation
8 provisions of loans to students in institutions of higher learning.

9 (r) “Family child care home education network” means an entity
10 organized under law that contracts with the department pursuant
11 to Section 8245 to make payments to licensed family child care
12 home providers and to provide educational and support services
13 to those providers and to children and families eligible for
14 state-subsidized early learning and educational support services.
15 A family child care home education network may also be referred
16 to as a family child care home system.

17 (s) “Higher educational institutions” means the Regents of the
18 University of California, the Trustees of the California State
19 University, the Board of Governors of the California Community
20 Colleges, and the governing bodies of any accredited private
21 nonprofit institution of postsecondary education.

22 (t) “Intergenerational staff” means persons of various
23 generations.

24 (u) “Limited-English-speaking-proficient and
25 non-English-speaking-proficient children” means children who
26 are unable to benefit fully from an English-only early learning and
27 educational support program as a result of either of the following:

28 (1) Having used a language other than English when they first
29 began to speak.

30 (2) Having a language other than English predominantly or
31 exclusively spoken at home.

32 (v) “Parent” means a biological parent, stepparent, adoptive
33 parent, foster parent, caretaker relative, or any other adult living
34 with a child who has responsibility for the care and welfare of the
35 child.

36 (w) “Program director” means a person who, pursuant to
37 Sections 8244 and 8360.1, is qualified to serve as a program
38 director.

1 (x) “Proprietary agency” means an organization or facility
2 providing early learning and educational support services, which
3 is operated for profit.

4 (y) “Resource and referral programs” means programs that
5 provide information to parents, including referrals and coordination
6 of community resources for parents and public or private providers
7 of care. Services frequently include, but are not limited to: technical
8 assistance for providers, toy-lending libraries, equipment-lending
9 libraries, toy- and equipment-lending libraries, staff development
10 programs, health and nutrition education, and referrals to social
11 services.

12 (z) “Severely disabled children” are children with exceptional
13 needs from birth to 21 years of age, inclusive, who require intensive
14 instruction and training in programs serving pupils with the
15 following profound disabilities: autism, blindness, deafness, severe
16 orthopedic impairments, serious emotional disturbances, or severe
17 intellectual disabilities. “Severely disabled children” also include
18 those individuals who would have been eligible for enrollment in
19 a developmental center for handicapped pupils under Chapter 6
20 (commencing with Section 56800) of Part 30 of Division 4 of Title
21 2 as it read on January 1, 1980.

22 (aa) “Short-term respite child care” means child care service to
23 assist families whose children have been identified through written
24 referral from a legal, medical, or social service agency, or
25 emergency shelter as being neglected, abused, exploited, or
26 homeless, or at risk of being neglected, abused, exploited, or
27 homeless. Child care is provided for less than 24 hours per day in
28 child care centers, treatment centers for abusive parents, family
29 child care homes, or in the child’s own home.

30 (ab) “Site supervisor” means a person who, regardless of his or
31 her title, has operational program responsibility for an early
32 learning and educational support program at a single site. A site
33 supervisor shall hold a permit or credential issued by the
34 Commission on Teacher Credentialing that authorizes supervision
35 of an early learning and educational support program operating in
36 a single site. The Superintendent may waive the requirements of
37 this subdivision if the Superintendent determines that the existence
38 of compelling need is appropriately documented.

39 (ac) “Standard reimbursement rate” means that rate established
40 by the Superintendent pursuant to Section 8265.

1 (ad) “Startup costs” means those expenses an agency incurs in
2 the process of opening a new or additional facility before the full
3 enrollment of children.

4 (ae) “California state preschool program services” means
5 part-day and full-day educational programs and services designed
6 to facilitate the transition to kindergarten for low-income or
7 otherwise disadvantaged three- and four-year-old children.

8 (af) “Support services” means those services that, when
9 combined with early learning and educational support services,
10 help promote the healthy physical, mental, social, and emotional
11 growth of children. Support services include, but are not limited
12 to: protective services, parent training, provider and staff training,
13 transportation, parent and child counseling, resource and referral
14 services, and child placement counseling.

15 (ag) “Teacher” means a person with the appropriate permit
16 issued by the Commission on Teacher Credentialing who provides
17 program supervision and instruction that includes supervision of
18 a number of aides, volunteers, and groups of children.

19 (ah) “Underserved area” means a county or subcounty area,
20 including, but not limited to, school districts, census tracts, or ZIP
21 Code areas, where the ratio of publicly subsidized early learning
22 and educational support program services to the need for these
23 services is low, as determined by the Superintendent.

24 (ai) “Workday” means the time that the parent requires
25 temporary care for a child for any of the following reasons:

- 26 (1) To undertake training in preparation for a job.
- 27 (2) To undertake or retain a job.
- 28 (3) To undertake other activities that are essential to maintaining
29 or improving the social and economic function of the family, are
30 beneficial to the community, or are required because of health
31 problems in the family.

32 (aj) “Three-year-old children” means children who will have
33 their third birthday on or before the date specified of the fiscal
34 year in which they are enrolled in a California state preschool
35 program, as follows:

- 36 (1) November 1 of the 2012–13 fiscal year.
- 37 (2) October 1 of the 2013–14 fiscal year.
- 38 (3) September 1 of the 2014–15 fiscal year and each fiscal year
39 thereafter.

1 (ak) “Four-year-old children” means children who will have
2 their fourth birthday on or before the date specified of the fiscal
3 year in which they are enrolled in a California state preschool
4 program, as follows:

- 5 (1) November 1 of the 2012–13 fiscal year.
- 6 (2) October 1 of the 2013–14 fiscal year.
- 7 (3) September 1 of the 2014–15 fiscal year and each fiscal year
8 thereafter.

9 (al) “Local educational agency” means a school district, a county
10 office of education, a community college district, or a school
11 district on behalf of one or more schools within the school district.

12 SEC. 11. Section 8208.1 of the Education Code is amended to
13 read:

14 8208.1. Care exempt from licensure is a valid parental choice
15 of care for all programs provided for under this part, and no
16 provision of this part shall be construed to exclude or discourage
17 the exercise of that choice.

18 SEC. 12. Section 8208.5 of the Education Code is amended to
19 read:

20 8208.5. Notwithstanding any other law, early learning and
21 educational support programs, as defined in Section 8208, shall
22 include, but not be limited to, respite child care.

23 SEC. 13. Section 8209 of the Education Code is amended to
24 read:

25 8209. (a) If a state of emergency is declared by the Governor,
26 the Superintendent may waive any requirements of this code or
27 regulations adopted pursuant to this code relating to early learning
28 and educational support programs operated pursuant to this chapter
29 only to the extent that enforcement of the regulations or
30 requirements would directly impede disaster relief and recovery
31 efforts or would disrupt the current level of service in early learning
32 and educational support programs.

33 (b) If a state of emergency is declared by the Governor, the
34 Superintendent may waive any requirements of this code or
35 regulations adopted pursuant to this code relating to child nutrition
36 programs in early learning and educational support programs
37 operated pursuant to this chapter only to the extent that enforcement
38 of the regulations or requirements would directly impede disaster
39 relief and recovery efforts or would disrupt the current level of
40 service in early learning and educational support programs.

1 (c) A waiver granted pursuant to subdivision (a) or (b) shall not
2 exceed 45 calendar days.

3 (d) For purposes of this section, “state of emergency” includes
4 fire, flood, earthquake, or a period of civil unrest.

5 (e) If a request for a waiver pursuant to subdivision (a) or (b)
6 is for an early learning and educational support program or child
7 nutrition program that receives federal funds and the waiver may
8 be inconsistent with the state plan or any federal law or regulations
9 governing the program, the Superintendent shall seek and obtain
10 approval of the waiver from the appropriate federal agency before
11 granting the waiver.

12 SEC. 14. Section 8210 of the Education Code is amended to
13 read:

14 8210. Funds appropriated for the purpose of this chapter may
15 be used for resource and referral programs that may be operated
16 by public or private nonprofit entities.

17 SEC. 15. Section 8211 of the Education Code is amended to
18 read:

19 8211. It is the intent of the Legislature that one hundred eighty
20 thousand dollars (\$180,000) be appropriated each fiscal year for
21 allocation to resource and referral agencies operated by local
22 educational agencies for the purpose of the resources and referral
23 program set forth in this article.

24 SEC. 16. Section 8212 of the Education Code is amended to
25 read:

26 8212. For purposes of this article, resource and referral
27 programs, established to serve a defined geographic area, shall
28 provide the following services:

29 (a) Identification of the full range of existing services through
30 information provided by all relevant public and private agencies
31 in the areas of service, and the development of a resource file of
32 those services that shall be maintained and updated at least
33 quarterly. These services shall include, but not be limited to, early
34 learning and educational support programs, family day care homes,
35 public and private day care programs, full-time and part-time
36 programs, and infant, toddler, preschool, and extended care
37 programs.

38 The resource file shall include, but not be limited to, the
39 following information:

40 (1) Type of program.

- 1 (2) Hours of service.
- 2 (3) Ages of children served.
- 3 (4) Fees and eligibility for services.
- 4 (5) Significant program information.

5 (b) (1) Establishment of a referral process that responds to
6 parental need for information and that is provided with full
7 recognition of the confidentiality rights of parents. Resource and
8 referral programs shall make referrals to licensed child day care
9 facilities. Referrals shall be made to unlicensed care facilities only
10 if there is no requirement that the facility be licensed. The referral
11 process shall afford parents maximum access to all referral
12 information. This access shall include, but is not limited to,
13 telephone referrals to be made available for at least 30 hours per
14 week as part of a full week of operation. Every effort shall be made
15 to reach all parents within the defined geographic area, including,
16 but not limited to, any of the following:

- 17 (A) Toll-free telephone lines.
 - 18 (B) Office space convenient to parents and providers.
 - 19 (C) Referrals in languages which are spoken in the community.
- 20 Each resource and referral program shall publicize its services
21 through all available media sources, agencies, and other appropriate
22 methods.

23 (2) (A) Provision of information to any person who requests a
24 referral of his or her right to view the licensing information of a
25 licensed child day care facility required to be maintained at the
26 facility pursuant to Section 1596.859 of the Health and Safety
27 Code and to access any public files pertaining to the facility that
28 are maintained by the State Department of Social Services
29 Community Care Licensing Division.

30 (B) A written or oral advisement in substantially the following
31 form will comply with the requirements of subparagraph (A):

32 “State law requires licensed child day care facilities to make
33 accessible to the public a copy of any licensing report pertaining
34 to the facility that documents a facility visit or a substantiated
35 complaint investigation. In addition, a more complete file regarding
36 a child care licensee may be available at an office of the State
37 Department of Social Services Community Care Licensing
38 Division. You have the right to access any public information in
39 these files.”

1 (c) Maintenance of ongoing documentation of requests for
2 service tabulated through the internal referral process. The
3 following documentation of requests for service shall be maintained
4 by all resource and referral programs:

5 (1) Number of calls and contacts to the care information and
6 referral program or component.

7 (2) Ages of children served.

8 (3) Time category of care request for each child.

9 (4) Special time category, such as nights, weekends, and swing
10 shift.

11 (5) Reason that the care is needed.

12 This information shall be maintained in a manner that is easily
13 accessible for dissemination purposes.

14 (d) Provision of technical assistance to existing and potential
15 providers of all types of care services. This assistance shall include,
16 but not be limited to:

17 (1) Information on all aspects of initiating new care services
18 including, but not limited to, licensing, zoning, program and budget
19 development, and assistance in finding this information from other
20 sources.

21 (2) Information and resources that help existing providers to
22 maximize their ability to serve the children and parents of their
23 community.

24 (3) Dissemination of information on current public issues
25 affecting the local and state delivery of services.

26 (4) Facilitation of communication between existing child care
27 and child-related services providers in the community served.

28 Services prescribed by this section shall be provided in order to
29 maximize parental choice in the selection of care to facilitate the
30 maintenance and development of care services and resources.

31 (e) (1) A program operating pursuant to this article shall, within
32 two business days of receiving notice, remove a licensed child day
33 care facility with a revocation or a temporary suspension order, or
34 that is on probation from the program's referral list.

35 (2) A program operating pursuant to this article shall, within
36 two business days of receiving notice, notify all entities, operating
37 a program under Article 3 (commencing with Section 8220) and
38 Article 15.5 (commencing with Section 8350) in the program's
39 jurisdiction, of a licensed child day care facility with a revocation
40 or a temporary suspension order, or that is on probation.

1 SEC. 17. Section 8212.3 of the Education Code is amended to
2 read:

3 8212.3. (a) In addition to the services described in Section
4 8212, a resource and referral program, established to serve a
5 defined geographic area, may provide short-term respite child care.
6 “Short-term respite care,” for purposes of this article, means
7 temporary child care services to do any of the following:

8 (1) Provide services to families identified and referred by child
9 protective agencies.

10 (2) Relieve the stress caused by child abuse, neglect, or
11 exploitation, or the risk of abuse, neglect, or exploitation.

12 (3) Assist parents who, because of serious illness or injury,
13 homelessness, or family crisis, including temporary absence from
14 the home because of illness or injury, would be unable without
15 assistance to provide the normal care and nurture expected of
16 parents.

17 (4) Provide temporary relief to parents from the care of children
18 with exceptional needs.

19 (b) Pursuant to the delivery of short-term respite child care
20 services, priority shall be given for the provision of services to
21 families identified and referred by child protective agencies, to
22 relieve the stress caused by child abuse, neglect, or exploitation,
23 or the risks thereof, as described in paragraphs (1) and (2) of
24 subdivision (a). Priority shall be given to assist parents and to
25 provide temporary relief to parents, as described in paragraphs (3)
26 and (4) of subdivision (a) to the extent that resources are available.

27 SEC. 18. Section 8213 of the Education Code is amended to
28 read:

29 8213. All resource and referral services shall be provided in a
30 manner that is responsive to the diverse cultural, linguistic, and
31 economic needs of a defined geographic area of service.

32 SEC. 19. Section 8214 of the Education Code is amended to
33 read:

34 8214. (a) Resource and referral services shall be provided to
35 all persons requesting services and to all types of eligible providers,
36 regardless of income level or other eligibility criteria. In addition
37 to the services prescribed by this section, resource and referral
38 may provide a wide variety of parent and provider support and
39 educational services.

1 (b) Information shall be provided to parents in the county of
2 service at the time the family is determined eligible for services,
3 and at recertification, by one of the following:

4 (1) An alternative payment program.

5 (2) A resource and referral program.

6 (3) A partnership between the alternative payment program and
7 the resource and referral program.

8 (c) The information provided by the program or partnership
9 shall be to assist parents in making informed choices about
10 available types of care that would both offer a safe, caring, and
11 age-appropriate early learning and educational support environment
12 for children, as well as support the parents' work activities,
13 including, but not limited to, information about high-quality early
14 learning and educational support options and resources specified
15 in this subdivision. The program or partnership may utilize
16 resources from a list posted on the department's Internet Web site
17 pursuant to subdivision (c) of Section 8206 if this list is available.
18 If the department does not create a list of resources pursuant to
19 subdivision (c) of Section 8206, the program or partnership may
20 develop local resources. These resources shall include, but are not
21 limited to, the following:

22 (1) Information regarding how to select services that meet the
23 needs of the parent and child.

24 (2) Information on licensing requirements and procedures for
25 child care centers and family child care homes.

26 (3) Trustline requirements for homes and providers exempt from
27 licensure.

28 (4) A range of possible early learning and educational support
29 options from which a parent may choose.

30 (5) Information on available care subsidies and eligibility
31 requirements.

32 (6) Quality indicators, including provider or educator training,
33 accreditation, staff stability, group size, ratio of children to staff,
34 environments that support the healthy development of children,
35 parent involvement, and communication between the parent and
36 provider.

37 (7) Information on quality rating and improvement systems,
38 where available.

39 (d) The program or partnership shall also provide parenting
40 information to parents.

1 SEC. 20. Section 8215 of the Education Code is amended to
2 read:

3 8215. (a) There is hereby established a project known as the
4 California Child Care Initiative Project. It is the intent of the
5 Legislature to promote and foster the project in cooperation with
6 private corporations and local governments. The objective of the
7 project is to increase the availability of quality programs in the
8 state.

9 (b) For purposes of this section, the California Child Care
10 Initiative Project means a project to expand the role and functions
11 of selected resource and referral agencies in activities including
12 needs assessment, recruitment and screening of providers, technical
13 assistance, and staff development and training, in order to aid
14 communities in increasing their capability in the number of spaces
15 available and the quality of services offered.

16 (c) The Superintendent shall allocate all state funds appropriated
17 for the California Child Care Initiative Project for the purpose of
18 making grants to those resource and referral agencies that have
19 been selected as pilot sites for the project.

20 (d) The project shall ensure that each dollar of state funds
21 allocated pursuant to subdivision (c) is matched by two dollars
22 (\$2) from other sources, including private corporations, the federal
23 government, or local governments.

24 (e) The grants to the sites made available by the project shall
25 be comprised of a combination of state funds and other funds
26 pursuant to subdivision (d).

27 (f) The Superintendent shall develop a database for the project.

28 SEC. 21. Section 8216 of the Education Code is amended to
29 read:

30 8216. When making referrals, every agency operating a
31 program providing ~~direct~~ early learning services or an alternative
32 payment program and a resource and referral program shall provide
33 at least four referrals, at least one of which shall be a provider over
34 which the agency has no fiscal or operational control, as well as
35 information to a family on the family’s ability to choose a license
36 exempt provider.

37 SEC. 22. Section 8220 of the Education Code is amended to
38 read:

39 8220. Upon the approval of the department, funds appropriated
40 for the purposes of this chapter may be used for alternative payment

1 programs to allow for maximum parental choice. Various methods
2 of reimbursement for parental costs for care may be utilized. All
3 payment arrangements shall conform to the eligibility criteria and
4 the parent fee schedule established pursuant to Sections 8263 and
5 8265.

6 To provide for maximum parental choice, alternative payment
7 programs may include the following:

8 (a) A subsidy that follows the family from one provider to
9 another within a given alternative payment program.

10 (b) Choices, whenever possible, among hours of service
11 including before and after school, evenings, weekends, and split
12 shifts.

13 (c) (1) Early learning and educational support services
14 according to parental choice, including use of family day care
15 homes, center based programs, and other state-funded programs
16 to the extent that those programs exist in the general service area
17 and are in conformity with the purposes and applicable laws for
18 which those programs were established, but excluding California
19 state preschool program services.

20 (2) *This subdivision shall be operative only to the extent that*
21 *an appropriation for its purposes is included in the annual Budget*
22 *Act and is consolidated into a single budget schedule or*
23 *subschedule.*

24 SEC. 23. Section 8220.1 of the Education Code is amended to
25 read:

26 8220.1. (a) The department shall contract with local contracting
27 agencies for alternative payment programs so that services will be
28 provided throughout the state. The department shall expand existing
29 alternative payment programs and fund new alternative payment
30 programs to the extent that funds are provided by the Legislature.

31 (b) Funding for the new programs pursuant to this section shall
32 be allocated to programs which meet all of the following
33 requirements:

34 (1) Applicants shall conform to the requirements of this article.

35 (2) Applicants shall demonstrate that an alternative payment
36 program is an appropriate method of delivering services within
37 the county or service area at the level requested in the application
38 by doing either of the following:

39 (A) Demonstrating the availability of sufficient licensed or
40 license-exempt providers.

1 (B) Providing a plan for the development of sufficient licensed
2 providers working in cooperation with the local resource and
3 referral agency.

4 (3) Applicants shall demonstrate the administrative viability of
5 the alternative payment agency and its capacity to meet
6 performance requirements.

7 (4) Existing alternative payment programs receiving funds for
8 expansion into a new service area shall be funded at a documented
9 rate appropriate to that community and may contract separately as
10 appropriate.

11 (c) (1) On and after July 1, 2014, the Superintendent shall
12 streamline the delivery of alternative payment programs through
13 the consolidation of contracts that serve special populations,
14 including, but not limited to, migrant populations. Contractors
15 shall continue to serve the same populations specified in their
16 2013–14 contracts, unless they receive prior approval from the
17 department.

18 (2) *This subdivision shall be operative only to the extent that*
19 *an appropriation for its purposes is included in the annual Budget*
20 *Act and is consolidated into a single budget schedule or*
21 *subschedule.*

22 SEC. 24. Section 8220.3 is added to the Education Code, to
23 read:

24 8220.3. Commencing with the 2014–15 fiscal year and each
25 fiscal year thereafter, alternative payment programs serving only
26 migrant populations pursuant to a 2013–14 contract shall enroll
27 only children of migrant agricultural worker families, as defined
28 in subdivision (a) of Section 8231, that move from place to place
29 for the purpose of agricultural work.

30 SEC. 25. Section 8220.5 of the Education Code is amended to
31 read:

32 8220.5. (a) To offer maximum support for parents and
33 providers, alternative payment programs shall have access to
34 resource and referral services. Funding shall be adequate to
35 purchase care at the same rate that a private client is charged for
36 the same service as well as to provide locally designed support
37 services for parents and providers.

38 (b) Alternative payment programs shall provide professional
39 and technical assistance and information to providers.

1 SEC. 26. Section 8220.6 is added to the Education Code, to
2 read:

3 8220.6. (a) Information shall be provided to parents in the
4 county of service at the time the family is determined eligible for
5 services, and at recertification, by one of the following:

- 6 (1) An alternative payment program.
- 7 (2) A resource and referral program.
- 8 (3) A partnership between the alternative payment program and
9 the resource and referral program.

10 (b) The information provided by the program or partnership
11 shall be to assist parents in making informed choices about
12 available types of care that would both offer a safe, caring, and
13 age-appropriate early learning and educational support environment
14 for children, as well as support the parents' work activities,
15 including, but not limited to, information about high-quality early
16 learning and educational support options and resources specified
17 in this subdivision. The program or partnership may utilize
18 resources from a list posted on the department's Internet Web site
19 pursuant to subdivision (c) of Section 8206 if this list is available.
20 If the department does not create a list of resources pursuant to
21 subdivision (c) of Section 8206, the program or partnership may
22 develop local resources. These resources shall include, but are not
23 limited to, the following:

- 24 (1) Information regarding how to select services that meet the
25 needs of the parent and child.
- 26 (2) Information on licensing requirements and procedures for
27 child care centers and family child care homes.
- 28 (3) Trustline requirements for homes and providers exempt from
29 licensure.
- 30 (4) A range of possible early learning and educational support
31 options from which a parent may choose.
- 32 (5) Information on available care subsidies and eligibility
33 requirements.
- 34 (6) Quality indicators, including provider or educator training,
35 accreditation, staff stability, group size, ratio of children to staff,
36 environments that support the healthy development of children,
37 parent involvement, and communication between the parent and
38 provider.
- 39 (7) Information on quality rating and improvement systems,
40 where available.

1 (c) The program or partnership shall also provide parenting
2 information to parents.

3 SEC. 27. Section 8222 of the Education Code is amended to
4 read:

5 8222. (a) Payments made by alternative payment programs
6 shall not exceed the applicable market rate ceiling. Alternative
7 payment programs may expend more than the standard
8 reimbursement rate for a particular child. However, the aggregate
9 payments for services purchased by the agency during the contract
10 year shall not exceed the assigned reimbursable amount as
11 established by the contract for the year. An agency shall not make
12 payments in excess of the rate charged to full-cost families. This
13 section does not preclude alternative payment programs from using
14 the average daily enrollment adjustment factor for children with
15 exceptional needs as provided in Section 8265.5.

16 (b) Alternative payment programs shall reimburse licensed
17 providers in accordance with a biennial market rate survey pursuant
18 to Section 8447, at a rate not to exceed the ceilings established
19 pursuant to Section 8357.

20 (c) An alternative payment program shall reimburse a licensed
21 provider for care of a subsidized child based on the rate charged
22 by the provider to nonsubsidized families, if any, for the same
23 services, or the rates established by the provider for prospective
24 nonsubsidized families. A licensed provider shall submit to the
25 alternative payment program a copy of the provider's rate sheet
26 listing the rates charged, and the provider's discount or scholarship
27 policies, if any, along with a statement signed by the provider
28 confirming that the rates charged for a subsidized child are equal
29 to or less than the rates charged for a nonsubsidized child.

30 (d) An alternative payment program shall maintain a copy of
31 the rate sheet and the confirmation statement.

32 (e) A licensed provider shall submit to the local resource and
33 referral agency a copy of the provider's rate sheet listing rates
34 charged, and the provider's discount or scholarship policies, if
35 any, and shall self-certify that the information is correct.

36 (f) Each licensed provider may alter rate levels for subsidized
37 children once per year and shall provide the alternative payment
38 program and resource and referral agency with the updated
39 information pursuant to subdivisions (c) and (e), to reflect any
40 changes.

1 (g) A licensed provider shall post in a prominent location
2 adjacent to the provider's license at the child care facility the
3 provider's rates and discounts or scholarship policies, if any.

4 (h) An alternative payment program shall verify provider rates
5 no less frequently than once a year by randomly selecting 10
6 percent of licensed providers serving subsidized families. The
7 purpose of this verification process is to confirm that rates reported
8 to the alternative payment programs reasonably correspond to
9 those reported to the resource and referral agency and the rates
10 actually charged to nonsubsidized families for equivalent levels
11 of services. It is the intent of the Legislature that the privacy of
12 nonsubsidized families shall be protected in implementing this
13 subdivision.

14 (i) The department shall develop regulations for addressing
15 discrepancies in the provider rate levels identified through the rate
16 verification process in subdivision (h).

17 SEC. 28. Section 8223 of the Education Code is amended to
18 read:

19 8223. The reimbursement for alternative payment programs
20 shall include the cost of care paid to providers plus the
21 administrative and support services costs of the alternative payment
22 program. The total cost for administration and support services
23 shall not exceed an amount equal to 17.5 percent of the total
24 contract amount. The administrative costs shall not exceed the
25 costs allowable for administration under federal requirements.

26 SEC. 29. Section 8225 of the Education Code is amended to
27 read:

28 8225. When making referrals, every agency operating a
29 program providing ~~direct~~ early learning services or a resource and
30 referral program and an alternative payment program shall provide
31 at least four referrals, at least one of which shall be a provider over
32 which the agency has no fiscal or operational control, as well as
33 information to a family on the family's ability to choose a license
34 exempt provider.

35 SEC. 30. Section 8226 of the Education Code is amended to
36 read:

37 8226. (a) When making referrals, every program operating
38 pursuant to this article shall provide information to any person
39 who requests a referral of his or her right to view the licensing
40 information of a licensed child day care facility required to be

1 maintained at the facility pursuant to Section 1596.859 of the
2 Health and Safety Code and to access any public files pertaining
3 to the facility that are maintained by the State Department of Social
4 Services Community Care Licensing Division.

5 (b) A written or oral advisement in substantially the following
6 form will comply with the requirements of subdivision (a):

7 “State law requires licensed child day care facilities to make
8 accessible to the public a copy of any licensing report pertaining
9 to the facility that documents a facility visit or a substantiated
10 complaint investigation. In addition, a more complete file regarding
11 a child care licensee may be available at an office of the State
12 Department of Social Services Community Care Licensing
13 Division. You have the right to access any public information in
14 these files.”

15 (c) Every program operating pursuant to this article shall, within
16 two days of receiving notice, remove from the program’s referral
17 list the name of any licensed child day care facility with a
18 revocation or a temporary suspension order or that is on probation.

19 (d) A program operating pursuant to this article shall, within
20 two business days of being notified of a revocation or a temporary
21 suspension order for a licensed child day care facility, do both of
22 the following:

- 23 (1) Terminate payment to the facility.
- 24 (2) Notify each parent and the facility in writing that payment
25 has been terminated and the reason for the termination.

26 (e) A program operating pursuant to this article shall, upon being
27 notified that a licensed child day care facility has been placed on
28 probation, provide written notice to each parent utilizing the facility
29 that the facility has been placed on probation and that the parent
30 has the option of selecting a different provider or remaining with
31 the facility without risk of subsidy payments to the provider being
32 terminated. The Legislature urges each agency operating pursuant
33 to this section to provide the written notice required by this
34 subdivision in the primary language of the parent, to the extent
35 feasible.

36 SEC. 31. Section 8227 of the Education Code is amended to
37 read:

38 8227. (a) To the extent that funding is made available for this
39 purpose through the annual Budget Act, the alternative payment
40 agency in each county shall design, maintain, and administer a

1 system to consolidate local child care waiting lists so as to establish
2 a countywide centralized eligibility list. In those counties with
3 more than one alternative payment agency, the agency that also
4 administers the resource and referral program shall have the
5 responsibility of developing, maintaining, and administering the
6 countywide centralized eligibility list. In those counties with more
7 than one alternative payment agency and more than one resource
8 and referral program, the department shall establish a process to
9 select the agency to develop, maintain, and administer the
10 countywide centralized eligibility list.

11 (b) Notwithstanding subdivision (a), in those counties in which
12 a countywide centralized eligibility list exists, as of the date that
13 the act adding this section is enacted, the entity administering that
14 list may receive funding, instead of the entity specified under
15 subdivision (a).

16 (c) Each centralized eligibility list shall include all of the
17 following:

18 (1) Family characteristics, including ZIP Code of residence,
19 ZIP Code of employment, monthly income, and size.

20 (2) Child characteristics, including birth date and whether the
21 child has special needs.

22 (3) Service characteristics, including reason for need, whether
23 full-time or part-time service is requested, and whether after hours
24 or weekend care is requested.

25 (d) Information collected for the centralized eligibility list shall
26 be reported to the Superintendent on an annual basis on the date
27 and in the manner determined by the department.

28 (e) (1) To be eligible to enter into an agreement with the
29 department to provide subsidized care, a contractor shall participate
30 in and use the centralized eligibility list.

31 (2) A contractor with a campus early learning and educational
32 support program operating pursuant to Section 66060, a program
33 operating on a seasonal basis providing services to a migrant
34 population pursuant to Section 8230, or a program serving severely
35 disabled children pursuant to subdivision (d) of Section 8250 and
36 who has a local site waiting list shall submit eligibility list
37 information to the centralized eligibility list administrator for any
38 parent seeking subsidized services for whom these programs are
39 not able to provide early learning and educational support services.
40 A contractor or program described in this paragraph may utilize

1 any waiting lists developed at its local site to fill vacancies for its
2 specific population. Families enrolled from a local site waiting list
3 shall be enrolled pursuant to Section 8263.

4 SEC. 32. Article 5 (commencing with Section 8228) is added
5 to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
6 Code, to read:

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8
9

Article 5. ~~Direct~~ Early Learning Services

10 8228. (a) The Superintendent shall administer early learning
11 and educational support programs through ~~direct~~ early learning
12 services, including, but not limited to, ~~direct~~ early learning
13 programs pursuant to Article 6 (commencing with Section 8230)
14 and Article 7 (commencing with Section 8235), family child care
15 home education networks pursuant to Article 8.5 (commencing
16 with Section 8245), and services for children pursuant to
17 subdivision (d) of Section 8250.

18 (b) Contractors providing ~~direct~~ early learning services pursuant
19 to this article shall comply with the administrative requirements
20 set forth in Article 10 (commencing with Section 8255).

21 8228.1. The Superintendent, with funds appropriated for this
22 purpose, shall administer programs through ~~direct~~ early learning
23 services. These programs shall include, but not be limited to, all
24 of the following:

- 25 (a) Age and developmentally appropriate activities for children.
- 26 (b) Supervision.
- 27 (c) Parenting education and parent engagement.
- 28 (d) Developmental and health services.
- 29 (e) Nutrition.
- 30 (f) Family support services that include, but are not limited to,
31 assessment of child and family needs and referral to appropriate
32 human services organizations.
- 33 (g) Training, professional development, and career advancement
34 opportunities, documentation of which shall be provided to the
35 department.

36 SEC. 33. The heading of Article 6 (commencing with Section
37 8230) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
38 Education Code is amended to read:

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40

Article 6. Services for Migrant Populations

1 SEC. 34. Section 8230 of the Education Code is amended to
2 read:

3 8230. Contractors serving migrant populations shall comply
4 with the requirements set forth in this article. In addition, the
5 Superintendent shall support and encourage the state-level
6 coordination of all agencies that offer services to migrant
7 populations and state-level coordination of existing health funds
8 for migrants.

9 SEC. 35. Section 8231 of the Education Code is amended to
10 read:

11 8231. (a) For the purpose of this article, a “migrant agricultural
12 worker family” means a family that has earned at least 50 percent
13 of its total gross income from employment in fishing, agriculture,
14 or agriculturally related work during the 12-month period
15 immediately preceding the date of application for child care and
16 development services.

17 (b) Children of migrant agricultural worker families shall be
18 enrolled in child development programs on the basis of the
19 following priorities:

20 (1) The family moves from place to place.

21 (2) The family has qualified under paragraph (1) within the past
22 five years and is currently dependent for its income on agricultural
23 employment, but is currently settled near agricultural areas.

24 (3) The family resides in a rural agricultural area and is
25 dependent upon seasonal agricultural work.

26 (4) Eligibility and priority for services for the federally funded
27 migrant child care and development program shall be in accordance
28 with the applicable federal regulations.

29 (c) This section shall remain in effect only until July 1, 2014,
30 and as of that date is repealed, unless a later enacted statute, that
31 is enacted before July 1, 2014, deletes or extends that date.

32 SEC. 36. Section 8231 is added to the Education Code, to read:

33 8231. (a) For the purpose of this chapter, a “migrant
34 agricultural worker family” means a family with at least one parent
35 that has earned at least 50 percent of his or her income from
36 employment in fishing, agriculture, or agriculturally related work
37 during the 12-month period immediately preceding the date of
38 application for early learning and educational support services.

1 (b) For purposes of this article, priority for enrollment shall be
 2 given to children of migrant agricultural worker families in the
 3 following priority order:

- 4 (1) The family moves from place to place.
- 5 (2) The family has qualified under paragraph (1) within the past
 6 five years and is currently dependent for its income on agricultural
 7 employment, but is currently settled near agricultural areas.
- 8 (3) The family resides in a rural agricultural area and is
 9 dependent upon seasonal agricultural work.
- 10 (4) Eligibility and priority for services for the federally funded
 11 migrant child care and development program shall be in accordance
 12 with the applicable federal regulations.

13 (c) (1) If a contractor serving migrant populations, upon
 14 prioritizing migrant families for enrollment and complying with
 15 this section, is unable to reach the anticipated level of enrollment
 16 as provided in the contract for services, the contractor may use
 17 any funds remaining to enroll children from otherwise eligible
 18 families pursuant to the priorities set forth in Section 8263.

19 (2) *This subdivision shall be operative only to the extent that*
 20 *an appropriation for its purposes is included in the annual Budget*
 21 *Act and is consolidated into a single budget schedule or*
 22 *subschedule.*

23 (d) This section is operative on July 1, 2014.

24 SEC. 37. Section 8232 of the Education Code is amended to
 25 read:

26 8232. The Superintendent shall develop appropriate quality
 27 indicators for contractors that serve migrant populations, including
 28 those prescribed in Section 8203, and the following:

- 29 (a) Social services.
 - 30 (1) Bilingual liaison between migrant parents and the center or
 31 family child care home, or both.
 - 32 (2) Liaison between the agency and the relevant community
 33 agencies and organizations, including health and social services.
 - 34 (3) Identification and documentation of family needs and
 35 followup referrals as appropriate.

- 36 (b) Staffing.
 - 37 (1) Bilingual health personnel shall be available to each program
 38 site of an agency that serves migrant populations.
 - 39 (2) Professional and nonprofessional staff shall reflect the
 40 linguistic and cultural background of the children being served.

1 (3) Whenever possible, migrants shall be recruited, trained, and
2 hired in ~~direct~~ early learning programs. Documentation of training
3 and career ladder opportunities and of recruitment and hiring efforts
4 shall be provided to the department. Staff training shall include
5 principles and practices of early learning and educational support
6 for the age groups of children being served.

7 (c) Developmental and health services in agencies that serve
8 migrant populations shall include health and dental screening and
9 followup treatment. Health records for all migrant children shall
10 follow the child.

11 SEC. 38. Section 8233 of the Education Code is amended to
12 read:

13 8233. (a) Cost for migrant population services may exceed
14 the standard reimbursement rate established by the Superintendent.
15 In no case shall the reimbursement exceed the cost of the services.
16 State-funded programs may be eligible for Chapter I federal funds
17 to supplement state funding. These funds shall not be contingent
18 upon the provision of additional child days or enrollment.

19 (b) The Superintendent shall annually reimburse agencies that
20 provide services for seasonal migrant populations pursuant to this
21 article for approvable startup and closedown costs. Reimbursement
22 for both startup and closedown costs shall not exceed 15 percent
23 of the agency's total contract amount.

24 (c) Agencies that provide services for seasonal migrant
25 populations shall submit reimbursement claims for startup costs
26 with their first monthly reports, and reimbursement claims for
27 closedown costs with their final reports.

28 SEC. 39. The heading of Article 7 (commencing with Section
29 8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
30 Education Code is amended to read:

31
32 Article 7. California State Preschool Program Services
33

34 SEC. 40. Section 8235 of the Education Code is amended to
35 read:

36 8235. (a) Contractors providing California state preschool
37 program services for three-year-old children described in
38 subdivision (aj) of Section 8208, and four-year-old children, as
39 described in subdivision (ak) of Section 8208, shall adhere to the
40 requirements set forth in Article 5 (commencing with Section

1 8228) in educational development, health services, social services,
2 nutritional services, parent education and parent participation,
3 evaluation, and staff development. These programs shall include,
4 but are not limited to, part-day age and developmentally appropriate
5 programs designed to facilitate the transition to kindergarten for
6 three- and four-year-old children.

7 (b) Preschool services for which federal reimbursement is not
8 available shall be funded as prescribed by the Legislature in the
9 Budget Act, and unless otherwise specified by the Legislature,
10 shall not use federal funds made available through Title XX of the
11 federal Social Security Act (42 U.S.C. Sec. 1397).

12 (c) Three- and four-year-old children are eligible for part-day
13 California state preschool program services if the family meets at
14 least one of the criteria specified in paragraph (1) of subdivision
15 (a) of Section 8263.

16 (d) Notwithstanding any other law, a contractor providing
17 part-day California state preschool program services may provide
18 services to children in families whose income is no more than 15
19 percent above the income eligibility threshold, as described in
20 Sections 8263 and 8263.1, after all eligible three- and four-year-old
21 children have been enrolled. No more than 10 percent of children
22 enrolled, calculated throughout the participating program's entire
23 contract, may be filled by children in families above the income
24 eligibility threshold.

25 (e) A part-day California state preschool program shall operate
26 for a minimum of (1) three hours per day, excluding time for
27 home-to-school transportation, and (2) a minimum of 175 days
28 per year, unless the contract specifies a lower number of days of
29 operation.

30 (f) Any agency described in subdivision (c) of Section 8208 as
31 an "applicant or contracting agency" is eligible to contract to
32 operate a California state preschool program.

33 (g) Part-day preschool services shall be reimbursed on a per
34 capita basis, as determined by the Superintendent, and contingent
35 on funding being provided for the part-day preschool services in
36 the annual Budget Act.

37 (h) Federal Head Start funds used to provide services to families
38 receiving California state preschool services shall be deemed
39 nonrestricted funds.

1 SEC. 41. Section 8236 of the Education Code is amended to
2 read:

3 8236. (a) (1) Contractors providing California state preschool
4 program services pursuant to this article shall give first priority to
5 three- or four-year-old neglected or abused children who are
6 recipients of child protective services, or who are at risk of being
7 neglected, abused, or exploited upon written referral from a legal,
8 medical, or social service agency. If an agency is unable to enroll
9 a child in this first priority category, the agency shall refer the
10 child's parent or guardian to local resource and referral services
11 so that services for the child can be located.

12 (2) Notwithstanding Section 8263, after children in the first
13 priority category set forth in paragraph (1) are enrolled, each
14 agency funded pursuant to Section 8235 shall give priority to
15 eligible four-year-old children before enrolling eligible
16 three-year-old children. Each agency shall certify to the
17 Superintendent that enrollment priority is being given to eligible
18 four-year-old children.

19 (b) For contractors that provide part-day preschool services that
20 are operating with funding that was initially allocated in a prior
21 fiscal year, at least one-half of the children enrolled at a preschool
22 site shall be four-year-old children. Any exception to this
23 requirement shall be approved by the Superintendent. The
24 Superintendent shall inform the Department of Finance of any
25 exceptions that have been granted and the reasons for granting the
26 exceptions.

27 (c) The following provisions apply to the award of new funding
28 for the expansion of the California state preschool program services
29 that is appropriated by the Legislature for that purpose in any fiscal
30 year:

31 (1) In an application for those expansion funds, an agency shall
32 furnish the Superintendent with an estimate of the number of
33 four-year-old and three-year-old children that it plans to serve in
34 the following fiscal year with those expansion funds. The agency
35 also shall furnish documentation that indicates the basis of those
36 estimates.

37 (2) In awarding contracts for expansion pursuant to this
38 subdivision, the Superintendent, after taking into account the
39 geographic criteria established pursuant to Section 8279.3, and the
40 headquarters preferences and eligibility criteria relating to fiscal

1 or programmatic noncompliance established pursuant to Section
2 8261, shall give priority to applicant agencies that, in expending
3 the expansion funds, will be serving the highest percentage of
4 four-year-old children.

5 (d) This section does not preclude a local educational agency
6 from subcontracting with an appropriate public or private agency
7 to operate a California state preschool program and to apply for
8 funds made available for the purposes of this section. If a school
9 district chooses not to operate or subcontract for a California state
10 preschool program, the Superintendent shall work with the county
11 office of education and other eligible agencies to explore possible
12 opportunities in contracting or alternative subcontracting to provide
13 a California state preschool program.

14 (e) This section does not prevent eligible children who are
15 currently receiving services from continuing to receive those
16 services in future years pursuant to this chapter.

17 SEC. 42. Section 8236.1 of the Education Code is amended to
18 read:

19 8236.1. The department shall annually monitor funding used
20 in ~~direct~~ early learning programs for infants and toddlers, and hours
21 of service provided in California state preschool program services,
22 and shall annually report to the Department of Finance and to the
23 Legislature a statewide summary identifying the estimated funding
24 used for infants and toddlers, and the number of preschool age
25 children receiving part-day preschool and wraparound services,
26 as defined in subdivision (f) of Section 8239. The annual report
27 shall include a comparison to the prior year on a county-by-county
28 basis.

29 SEC. 43. Section 8238.4 of the Education Code is amended to
30 read:

31 8238.4. (a) A family literacy supplemental grant shall be made
32 available and distributed to qualifying California state preschool
33 classrooms, as determined by the Superintendent, at a rate of two
34 thousand five hundred dollars (\$2,500) per class. The
35 Superintendent shall distribute the family literacy supplemental
36 grant funds according to the following priorities:

37 (1) First priority shall be assigned to contractors providing
38 California state preschool program services that contract to receive
39 this funding before July 1, 2012. These programs shall receive this

1 funding until their contract is terminated or the California state
2 preschool program no longer provides family literacy services.

3 (2) Second priority shall be assigned to contractors providing
4 California state preschool program services operating classrooms
5 located in the attendance area of elementary schools in deciles 1
6 to 3, inclusive, based on the most recently published Academic
7 Performance Index pursuant to Section 52056. The Superintendent
8 shall use a lottery process in implementing this paragraph.

9 (b) A family literacy supplemental grant distributed pursuant
10 to this section shall be used for purposes specified in Section 8238.

11 (c) Implementation of this section is contingent upon funding
12 being provided for family literacy supplemental grants for
13 California state preschool program services in the annual Budget
14 Act or other statute.

15 ~~SEC. 44. Section 8239 of the Education Code is amended to~~
16 ~~read:~~

17 ~~8239. The Superintendent shall encourage state preschool~~
18 ~~program applicants or contracting agencies to offer full-day~~
19 ~~services through a combination of part-day preschool slots and~~
20 ~~wraparound services. In order to facilitate a full day of services,~~
21 ~~all of the following shall apply:~~

22 ~~(a) Part-day preschool services provided pursuant to this section~~
23 ~~shall operate between 175 and 180 days.~~

24 ~~(b) Wraparound services provided pursuant to this section shall~~
25 ~~operate a minimum of 246 days per year unless the contract~~
26 ~~specified a lower minimum days of operation. Wraparound services~~
27 ~~may operate a full day for the remainder of the year after the~~
28 ~~completion of the part-day preschool program services. Services~~
29 ~~shall be provided in accordance with Article 1 (commencing with~~
30 ~~Section 8200) and Article 5 (commencing with Section 8228).~~

31 ~~(c) Part-day preschool services combined with wraparound~~
32 ~~services shall be reimbursed at no more than the full-day standard~~
33 ~~reimbursement rate, with adjustment factors, pursuant to Section~~
34 ~~8265 and as determined in the annual Budget Act.~~

35 ~~(d) Three- and four-year-old children are eligible for wraparound~~
36 ~~services to supplement the part-day preschool services if the family~~
37 ~~meets the eligibility criteria specified in paragraph (1) of~~
38 ~~subdivision (a) of Section 8263, and the parents meet at least one~~
39 ~~of the criteria specified in paragraph (2) of subdivision (a) of~~
40 ~~Section 8263.~~

1 ~~(e) Fees shall be assessed and collected for families with children~~
 2 ~~in part-day preschool programs, or families receiving wraparound~~
 3 ~~services, or both, pursuant to subdivisions (g) and (h) of Section~~
 4 ~~8263.~~

5 ~~(f) For purposes of this section, “wraparound services” means~~
 6 ~~additional funding beyond the part-day California state preschool~~
 7 ~~program services provided pursuant to subdivision (a), to meet a~~
 8 ~~family’s need for services while the parent participates in an~~
 9 ~~approved work or work-related activity. These services shall be~~
 10 ~~provided consistent with the early learning and educational support~~
 11 ~~programs provided pursuant to Article 1 (commencing with Section~~
 12 ~~8200) and Article 5 (commencing with Section 8228).~~

13 *SEC. 44. Section 8239 of the Education Code is amended to*
 14 *read:*

15 8239. The Superintendent shall encourage state preschool
 16 program applicants or contracting agencies to offer full-day
 17 services through a combination of part-day preschool slots and
 18 ~~wraparound general child care and development programs~~ *services.*
 19 In order to facilitate a ~~full-day~~ *full day* of services, all of the
 20 following shall apply:

21 (a) ~~Part-day preschool programs~~ *services* provided pursuant to
 22 this section shall operate between 175 and 180 days.

23 (b) ~~Wraparound general child care and development programs~~
 24 ~~services~~ provided pursuant to this section ~~may~~ *shall* operate a
 25 minimum of 246 days per year unless the ~~child development~~
 26 ~~contract~~ specified a lower minimum days of operation. ~~Part-day~~
 27 ~~general child care and development programs~~ *Wraparound services*
 28 may operate a full-day for the remainder of the year after the
 29 completion of the ~~preschool program~~ *part-day preschool program*
 30 *services. Services shall be provided in accordance with Article 1*
 31 *(commencing with Section 8200) and Article 5 (commencing with*
 32 *Section 8228).*

33 (c) Part-day preschool services combined with wraparound ~~child~~
 34 ~~care~~ services shall be reimbursed at no more than the full-day
 35 standard reimbursement ~~rate for general child care programs~~ *rate,*
 36 with adjustment factors, pursuant to Section 8265 and as
 37 determined in the annual Budget Act.

38 (d) Three- and four-year-old children are eligible for wraparound
 39 ~~child care~~ services to supplement the part-day ~~California state~~
 40 ~~preschool program~~ *services* if the family meets ~~at least one of the~~

1 *the eligibility* criteria specified in paragraph (1) of subdivision (a)
2 of Section 8263, and the parents meet at least one of the criteria
3 specified in paragraph (2) of subdivision (a) of Section 8263.

4 (e) Fees shall be assessed and collected for families with children
5 in part-day preschool programs, or families receiving wraparound
6 ~~child care~~ services, or both, pursuant to Article 11.5 (commencing
7 with Section 8273).

8 (f) The Superintendent shall annually report to the Department
9 of Finance, on or before October 1 of each year, the fees collected
10 from families who have children enrolled in the California state
11 preschool program. The report shall distinguish between family
12 fees collected for part-day preschool programs and fees collected
13 for wraparound child care services.

14 (g) For purposes of this section, ~~“wraparound child care~~
15 ~~services” and “wraparound general child care and development~~
16 ~~programs” mean services provided for the remaining portion of~~
17 ~~the day or remainder of the year following the completion of~~
18 ~~part-day preschool services that are necessary to meet the child~~
19 ~~care needs of parents eligible pursuant to subdivision (a) of Section~~
20 ~~8263 means early learning services provided with additional~~
21 ~~funding that would extend the part-day California state preschool~~
22 ~~program services provided pursuant to subdivision (a) to meet~~
23 ~~families’ needs for services while parents participate in an~~
24 ~~approved work or work-related activity. These services shall be~~
25 ~~provided consistent with the general child care and development~~
26 ~~early learning and educational support programs provided pursuant~~
27 ~~to Article 8 (commencing with Section 8240) 1 (commencing with~~
28 ~~Section 8200) and Article 5 (commencing with Section 8228).~~

29 SEC. 45. The heading of Article 8 (commencing with Section
30 8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
31 Education Code is amended to read:

32

33 Article 8. ~~Direct~~ Early Learning Programs

34

35 SEC. 46. Section 8240 of the Education Code is amended to
36 read:

37 8240. (a) The Superintendent, with funds appropriated for this
38 purpose, shall administer general early learning and educational
39 support programs.

1 General early learning and educational support programs shall
2 include:

- 3 (1) Age and developmentally appropriate activities for children.
- 4 (2) Supervision.
- 5 (3) Parenting education and parent involvement.
- 6 (4) Social services that include, but are not limited to,
- 7 identification of child and family needs and referral to appropriate
- 8 agencies.
- 9 (5) Health services.
- 10 (6) Nutrition.
- 11 (7) Training and career ladder opportunities, documentation of
- 12 which shall be provided to the department.

13 (b) This section shall become inoperative on July 1, 2014, and,
14 as of January 1, 2015, is repealed, unless a later enacted statute
15 that is enacted before January 1, 2015, deletes or extends the dates
16 on which it becomes inoperative and is repealed.

17 SEC. 47. Section 8240 is added to the Education Code, to read:

18 8240. (a) ~~Direct early~~ *Early* learning programs shall serve
19 children from birth to 13 years of age, including, but not limited
20 to, services for all of the following:

- 21 (1) Infants and toddlers.
- 22 (2) Preschool age children.
- 23 (3) Schoolage children.
- 24 (4) Migrant children.

25 (b) The Superintendent shall streamline the delivery of ~~direct~~
26 early learning programs through the consolidation of contracts that
27 serve children described in subdivision (a). This shall include, but
28 is not limited to, services for both of the following special
29 populations:

- 30 (1) Preschool age children.
- 31 (2) Migrant children.

32 (c) ~~(1)~~ Contractors shall continue to serve the same populations
33 specified in their 2013–14 contracts, unless they receive prior
34 approval from the department.

35 ~~(2)~~

36 (d) Contractors that provide services to migrant populations
37 shall comply with Article 6 (commencing with Section 8230).

38 ~~(3)~~

1 (e) Contractors that provide services to California state preschool
2 program populations shall comply with Article 7 (commencing
3 with Section 8235).

4 (f) *Subdivisions (b) and (c) shall be operative only to the extent*
5 *that an appropriation for its purposes is included in the annual*
6 *Budget Act and is consolidated into a single budget schedule or*
7 *subschedule.*

8 ~~(g)~~

9 (g) This section shall become operative on July 1, 2014.

10 SEC. 48. Section 8244 of the Education Code is amended to
11 read:

12 8244. (a) (1) Any entity operating programs funded pursuant
13 to this chapter that provide ~~direct~~ early learning services to children
14 at two or more sites, including through more than one contract or
15 subcontract funded pursuant to this chapter, shall employ a program
16 director.

17 (2) Programs providing direct services to children, for the
18 purposes of this section, are ~~direct~~ early learning services pursuant
19 to Article 5 (commencing with Section 8228), migrant services
20 pursuant to Article 6 (commencing with Section 8230), California
21 state preschool programs pursuant to Article 7 (commencing with
22 Section 8235), ~~direct~~ early learning services for children pursuant
23 to subdivision (d) of Section 8250, infant care and development
24 services programs pursuant to Article 17 (commencing with Section
25 8390), and any of these programs operated through family child
26 care homes.

27 (b) (1) For purposes of this section, the following definitions
28 shall apply:

29 (A) “Administrative responsibility” means awareness of the
30 financial and business circumstances of the program, and, in
31 appropriate cases, supervision of administrative and support
32 personnel and the knowledge and authority to direct or modify
33 administrative practices and procedures to ensure compliance to
34 administrative and financial standards imposed by law.

35 (B) “Program director” means a person who, regardless of his
36 or her title, has programmatic and administrative responsibility
37 for an early learning and educational support program that provides
38 direct services to children at two or more sites.

39 (C) “Programmatic responsibility” means overall supervision
40 of curriculum and instructional staff, including instructional aides,

1 and the knowledge and authority to direct or modify program
2 practices and procedures to ensure compliance to applicable quality
3 and health and safety standards imposed by law.

4 (2) Administrative and programmatic responsibility also includes
5 the responsibility to act as the representative for the early learning
6 and educational support program to the department. With respect
7 to programs operated through family child care homes,
8 administrative and programmatic responsibility includes ensuring
9 that quality services are provided in the family child care homes.

10 (c) The program director also may serve as the site supervisor
11 at one of the sites, provided that he or she both fulfills the duties
12 of a day care center director, as set forth in Section 101215.1 of
13 Title 22 of the California Code of Regulations, and meets the
14 qualifications for a site supervisor as set forth in subdivision (ab)
15 of Section 8208.

16 (d) The Superintendent may waive the qualifications for program
17 director described in Sections 8360.1 and 8360.3 upon a finding
18 of one of the following circumstances:

19 (1) The applicant is making satisfactory progress toward
20 securing a permit issued by the Commission on Teacher
21 Credentialing authorizing supervision of an early learning and
22 educational support program operating in two or more sites or
23 fulfilling the qualifications for program directors in programs
24 serving severely disabled children, as specified in Section 8360.3.

25 (2) The place of employment is so remote from institutions
26 offering the necessary coursework as to make continuing education
27 impracticable and the contractor has made a diligent search but
28 has been unable to hire a more qualified applicant.

29 (e) The Superintendent, upon good cause, may by rule identify
30 and apply grounds in addition to those specified in subdivision (d)
31 for granting a waiver of the qualifications for program director.

32 SEC. 49. The heading of Article 9 (commencing with Section
33 8250) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
34 Education Code is amended to read:

35
36 Article 9. Services for Children with Special Needs

37
38 SEC. 50. Section 8250 of the Education Code is amended to
39 read:

1 8250. (a) The Superintendent shall ensure that eligible children
2 with exceptional needs are given equal access to all early learning
3 and educational support programs. Available federal and state
4 funds for children with exceptional needs above the standard
5 reimbursement amount shall be used to assist agencies in
6 developing and supporting appropriate programs for these children.

7 (b) To provide children with exceptional needs with additional
8 access to early learning and educational support programs, the
9 Superintendent shall establish alternate appropriate placements,
10 such as self-contained programs and innovative programs using
11 the least restrictive environment. These programs shall be started
12 as expansion funds become available and shall be expanded
13 throughout the implementation of the plan. The Superintendent
14 shall utilize existing program models and input from program
15 specialists to develop new program criteria and guidelines for
16 programs serving children with exceptional needs. These programs
17 may serve children with exceptional needs up to 21 years of age.

18 (c) Any child with exceptional needs served in early learning
19 and educational support programs shall be afforded all rights and
20 protections guaranteed in state and federal laws and regulations
21 for individuals with exceptional needs.

22 (d) Notwithstanding any other provision of this chapter, the
23 Superintendent may develop unique reimbursement rates for, and
24 make reimbursements to, early learning and educational support
25 programs that received state funding for the 1980–81 fiscal year
26 and serve severely disabled children, as defined in subdivision (z)
27 of Section 8208, when all of the following conditions exist:

28 (1) Eligibility for enrollment of a severely disabled child in the
29 program is the sole basis of the child’s need for service.

30 (2) Services are provided to severely disabled children from
31 birth to 21 years of age.

32 (3) No fees are charged to the parents of the severely disabled
33 children receiving the services.

34 (e) The Superintendent shall include providers in all personnel
35 development for persons providing services for children with
36 exceptional needs.

37 SEC. 51. Section 8250.5 of the Education Code is amended to
38 read:

39 8250.5. A contractor providing services pursuant to ~~a direct~~
40 *an* early learning services contract or an alternative payment

1 contract is subject to the requirements of the federal Americans
2 with Disabilities Act (42 U.S.C. Sec. 12101 et seq.).

3 SEC. 52. Section 8251 of the Education Code is amended to
4 read:

5 8251. (a) All contractors administering ~~direct~~ early learning
6 services shall include plans or programs, or both, for the care of
7 the children when they are sick. These plans shall be age
8 appropriate and parents shall be included in the planning and
9 evaluation. The Superintendent shall disseminate information
10 regarding effective sick child care models to all early learning and
11 educational support programs.

12 (b) Nothing in this chapter shall be construed to allow the
13 practice of medicine without a license.

14 SEC. 53. Section 8252 of the Education Code is amended to
15 read:

16 8252. (a) The department and the local county welfare
17 department shall enter into contracts that establish the procedures
18 for serving and referring a child in need of care as part of the
19 provision of protective services pursuant to Chapter 5 (commencing
20 with Section 16500) of Part 4 of Division 9 of the Welfare and
21 Institutions Code. The department, in consultation with the State
22 Department of Social Services, may contract with another
23 appropriate community agency that provides services or referrals,
24 or both, for the prevention or intervention of child abuse or neglect
25 if no such contract for child care services exists between the
26 department and the county welfare department.

27 (b) The contracts shall specify the resource and referral program
28 or operating agency or agencies providing early learning and
29 educational support pursuant to this chapter in the county that the
30 local contracting agency shall contact to secure care for a child
31 needing protective services. If an operating agency is unable to
32 enroll the child, the local contracting agency described in
33 subdivision (a) with the assistance of the providers of local
34 resources and referral services shall locate services for the family.
35 Payments for these located services in the absence of other funds
36 shall be made by the local contracting agency.

37 (c) The need for services funded pursuant to this section shall
38 be reviewed by the local contracting agency no less than every
39 three months.

1 SEC. 54. Section 8255 of the Education Code is amended to
2 read:

3 8255. (a) The Legislature finds and declares that the
4 effectiveness of early learning and educational support programs
5 can be increased through improved state administration, technical
6 assistance to provider agencies, and monitoring.

7 (b) It is the intent of the Legislature:

8 (1) That the department develop clear, consistent, and
9 appropriate regulations for early learning and educational support
10 programs to replace policy guidelines that are not subject to the
11 public hearing process, often inconsistent, and without the force
12 of law.

13 (2) That the department make better use of staff with direct field
14 experience in early learning and educational support programs.

15 (3) That better criteria be developed for the awarding,
16 evaluating, and renewal of early learning and educational support
17 contracts.

18 (4) That improvements be made in the method of reimbursing
19 providers.

20 (5) That increased effort be made to provide program operators
21 with technical assistance in meeting their contractual obligations.

22 SEC. 55. Section 8257 of the Education Code is amended to
23 read:

24 8257. The department shall do all of the following in
25 administering this chapter:

26 (a) Apply sanctions against contracting agencies that have
27 serious licensing violations, as defined and reported by the State
28 Department of Social Services pursuant to Section 1544 of the
29 Health and Safety Code.

30 (b) Provide 90 days' written notification to any contractor whose
31 agreement is being terminated, except if there is imminent danger
32 to the health and welfare of children if agency operation is not
33 terminated more promptly. Notwithstanding Article 18
34 (commencing with Section 8400), the department shall establish
35 procedures for placing a contractor whose agreement is being
36 terminated into receivership. Action to initiate receivership shall
37 be at the discretion of the department, and may be taken against a
38 contractor whose agreement is being terminated either immediately
39 or within 90 days. The receiver shall not be a department employee.
40 The receiver shall have sufficient experience in the administration

1 of early learning and educational support programs to ensure
2 compliance with the terms of the receivership.

3 SEC. 56. Section 8258 of the Education Code is amended to
4 read:

5 8258. (a) A person employed by the department in a
6 policymaking position in the area of early learning and educational
7 support programs shall not serve as a member of the board of
8 directors, advisory council, or advisory committee for any agency
9 receiving funds pursuant to this chapter.

10 (b) A retired, dismissed, separated, or formerly employed person
11 of the department employed under the State Civil Service Act or
12 otherwise appointed to serve in the department shall not enter into
13 a contract pursuant to Section 8262 in which he or she engaged in
14 any of the negotiations, transactions, planning, arrangements, or
15 any part of the decisionmaking process relevant to the contract
16 while employed in any capacity by the department. The prohibition
17 contained in this subdivision shall apply to the person only during
18 the two-year period beginning on the date the person left state
19 employment.

20 (c) For a period of 12 months following the date of his or her
21 retirement, dismissal, or separation from state service, a person
22 employed under state civil service or otherwise appointed to serve
23 in the department shall not enter into a contract pursuant to Section
24 8262 if he or she was employed by the department in a
25 policymaking position in the area of early learning and educational
26 support programs within the 12-month period before his or her
27 retirement, dismissal, or separation.

28 (d) For a period of 12 months following the date of his or her
29 retirement, dismissal, or separation from state service, no person
30 employed under state civil service or otherwise appointed to serve
31 in the department may be employed by a contractor pursuant to
32 Section 8262 if he or she engaged in any of the negotiations,
33 transactions, planning, arrangements, or any part of the
34 decisionmaking process relevant to the contract while employed
35 in any capacity by the department.

36 SEC. 57. Section 8261 of the Education Code is amended to
37 read:

38 8261. (a) The Superintendent shall adopt rules and regulations
39 pursuant to this chapter. The rules and regulations shall include,
40 but not be limited to, provisions which do all of the following:

- 1 (1) Provide clear guidelines for the selection of agencies when
2 early learning and educational support contracts are let.
- 3 (2) Provide for a contract monitoring system to ensure that
4 agencies expend funds received pursuant to this chapter in
5 accordance with the provisions of their contracts.
- 6 (3) Specify adequate standards of agency performance.
- 7 (4) Establish reporting requirements for service reports,
8 including provisions for varying the frequency with which these
9 reports are to be submitted on the basis of agency performance.
- 10 (5) Specify standards for withholding payments to agencies that
11 fail to submit required fiscal reports.
- 12 (6) Set forth standards for department site visits to contracting
13 agencies, including, but not limited to, specification as to the
14 purpose of the visits, the personnel that will perform these visits,
15 and the frequency of these visits that shall be as frequently as staff
16 and budget resources permit. By September 1 of each year, the
17 department shall report to the Senate Education, Senate Health
18 and Human Services, Assembly Education, and Assembly Human
19 Services Committees on the number of visits conducted during
20 the previous fiscal year pursuant to this paragraph.
- 21 (b) The Superintendent shall consult with the State Department
22 of Social Services with respect to rules and regulations adopted
23 relative to the disbursement of federal funds under Title XX of the
24 federal Social Security Act.
- 25 (c) For purposes of expediting the implementation of state or
26 federal legislation to expand early learning and educational support
27 services, the Superintendent may waive (1) the regulations
28 regarding the point qualifications for, and the process and scoring
29 of, interviews of contract applicants pursuant to Section 18002 of
30 Title 5 of the California Code of Regulations, or (2) the time
31 limitations for scheduling and notification of appeal hearings and
32 their results pursuant to Section 18003 of Title 5 of the California
33 Code of Regulations. The Superintendent shall ensure that the
34 appeal hearings provided for in Section 18003 of Title 5 of the
35 California Code of Regulations are conducted in a timely manner.
- 36 (d) (1) Early learning and educational support programs
37 operated under contract from funds made available pursuant to the
38 federal Child Care and Development Fund, shall be administered
39 according to Division 19 (commencing with Section 17906) of
40 Chapter 1 of Title 5 of the California Code of Regulations, unless

1 provisions of these regulations conflict with federal regulations.
2 If state and federal regulations conflict, the federal regulations
3 shall apply unless a waiver of federal regulations is authorized.

4 (2) For purposes of this section, “Child Care and Development
5 Fund” has the same meaning as in Section 98.2 of Title 45 of the
6 Code of Federal Regulations.

7 SEC. 58. Section 8261.5 of the Education Code is amended to
8 read:

9 8261.5. For purposes of meeting state and federal reporting
10 requirements and for the effective administration of early learning
11 and educational support programs, the Superintendent is authorized
12 to require the collection and submission of social security numbers
13 of heads of households, and other information as required, from
14 public and private agencies contracting with the department
15 pursuant to this chapter, including local educational agencies.

16 SEC. 59. Section 8262 of the Education Code is amended to
17 read:

18 8262. Notwithstanding Sections 14616 and 14780 of the
19 Government Code, the Superintendent may enter into and execute
20 local contractual agreements with any public or private entity or
21 agency for the delivery of early learning and educational support
22 services or the furnishing of property, facilities, personnel, supplies,
23 equipment, and administrative services related to the delivery of
24 early learning and educational support services. Before entering
25 into or executing a local agreement, the department shall obtain
26 annual approval from the Department of General Services and the
27 Department of Finance as to the form and general content thereof.
28 The agreements may only be made for the delivery of early learning
29 and educational support services, or the furnishing of property,
30 facilities, personnel, supplies, equipment, or administrative services
31 related thereto, which conform with the provisions of this chapter.

32 ~~SEC. 60. Section 8263 of the Education Code is amended to~~
33 ~~read:~~

34 ~~8263. (a) The Superintendent shall adopt rules and regulations~~
35 ~~on eligibility, enrollment, and priority of services needed to~~
36 ~~implement this chapter. In order to be eligible for federal and state~~
37 ~~subsidized early learning and educational support services, families~~
38 ~~shall meet at least one requirement in each of the following areas:~~

39 ~~(1) A family is (A) a current aid recipient, (B) income eligible,~~
40 ~~(C) homeless, or (D) one whose children are recipients of protective~~

1 services, or whose children have been identified as being abused,
2 neglected, or exploited, or at risk of being abused, neglected, or
3 exploited.

4 (2) A family needs the child care services (A) because the child
5 is identified by a legal, medical, or social services agency, or
6 emergency shelter as (i) a recipient of protective services or (ii)
7 being neglected, abused, or exploited, or at risk of neglect, abuse,
8 or exploitation, or (B) because the parents are (i) engaged in
9 vocational training leading directly to a recognized trade,
10 paraprofession, or profession, (ii) employed or seeking
11 employment, (iii) seeking permanent housing for family stability,
12 or (iv) incapacitated.

13 (b) Except as provided in Article 15.5 (commencing with Section
14 8350), priority for federal and state subsidized early learning and
15 educational support services is as follows:

16 (1) (A) First priority shall be given to neglected or abused
17 children who are recipients of child protective services, or children
18 who are at risk of being neglected or abused, upon written referral
19 from a legal, medical, or social services agency. If an agency is
20 unable to enroll a child in the first priority category, the agency
21 shall refer the family to local resource and referral services to
22 locate services for the child.

23 (B) A family who is receiving child care on the basis of being
24 a child at risk of abuse, neglect, or exploitation, as defined in
25 subdivision (i) of Section 8208, is eligible to receive services
26 pursuant to subparagraph (A) for up to three months, unless the
27 family becomes eligible pursuant to subparagraph (C).

28 (C) A family may receive child care services for up to 12 months
29 on the basis of a certification by the county child welfare agency
30 that child care services continue to be necessary or, if the child is
31 receiving child protective services during that period of time, and
32 the family requires child care and remains otherwise eligible. This
33 time limit does not apply if the family's referral is recertified by
34 the county child welfare agency.

35 (2) Second priority shall be given equally to eligible families,
36 regardless of the number of parents in the home, who are income
37 eligible. Within this priority, families with the lowest gross monthly
38 income in relation to family size, as determined by a schedule
39 adopted by the Superintendent, shall be admitted first. If two or
40 more families are in the same priority in relation to income, the

1 family that has a child with exceptional needs shall be admitted
2 first. If there is no family of the same priority with a child with
3 exceptional needs, the same priority family that has been on the
4 waiting list for the longest time shall be admitted first. For purposes
5 of determining order of admission, the grants of public assistance
6 recipients shall be counted as income.

7 (3) ~~The Superintendent shall set criteria for and may grant~~
8 ~~specific waivers of the priorities established in this subdivision for~~
9 ~~agencies that wish to serve specific populations, including children~~
10 ~~with exceptional needs or children of prisoners. These new waivers~~
11 ~~shall not include proposals to avoid appropriate fee schedules or~~
12 ~~admit ineligible families, but may include proposals to accept~~
13 ~~members of special populations in other than strict income order,~~
14 ~~as long as appropriate fees are paid.~~

15 (e) ~~Notwithstanding any other law, in order to promote~~
16 ~~continuity of services, a family enrolled in a state or federally~~
17 ~~funded early learning and educational support program whose~~
18 ~~services would otherwise be terminated because the family no~~
19 ~~longer meets the program income, eligibility, or need criteria may~~
20 ~~continue to receive services in another state or federally funded~~
21 ~~early learning and educational support program if the contractor~~
22 ~~is able to transfer the family's enrollment to another program for~~
23 ~~which the family is eligible before the date of termination of~~
24 ~~services or to exchange the family's existing enrollment with the~~
25 ~~enrollment of a family in another program, provided that both~~
26 ~~families satisfy the eligibility requirements for the program in~~
27 ~~which they are being enrolled. The transfer of enrollment may be~~
28 ~~to another program within the same administrative agency or to~~
29 ~~another agency that administers state or federally funded early~~
30 ~~learning and educational support programs.~~

31 (d) ~~In order to promote continuity of services, the Superintendent~~
32 ~~may extend the 60-working-day period specified in subdivision~~
33 ~~(a) of Section 18086.5 of Title 5 of the California Code of~~
34 ~~Regulations for an additional 60 working days if he or she~~
35 ~~determines that opportunities for employment have diminished to~~
36 ~~the degree that one or both parents cannot reasonably be expected~~
37 ~~to find employment within 60 working days and granting the~~
38 ~~extension is in the public interest. The scope of extensions granted~~
39 ~~pursuant to this subdivision shall be limited to the necessary~~
40 ~~geographic areas and affected persons, which shall be described~~

1 in the Superintendent's order granting the extension. It is the intent
2 of the Legislature that extensions granted pursuant to this
3 subdivision improve services in areas with high unemployment
4 rates and areas with disproportionately high numbers of seasonal
5 agricultural jobs.

6 (e) A physical examination and evaluation, including
7 age-appropriate immunization, shall be required before, or within
8 six weeks of, enrollment. A standard, rule, or regulation shall not
9 require medical examination or immunization for admission to an
10 early learning and educational support program of a child whose
11 parent or guardian files a letter with the governing board of the
12 program stating that the medical examination or immunization is
13 contrary to his or her religious beliefs, or provide for the exclusion
14 of a child from the program because of a parent or guardian having
15 filed the letter. However, if there is good cause to believe that a
16 child is suffering from a recognized contagious or infectious
17 disease, the child shall be temporarily excluded from the program
18 until the governing board of the program is satisfied that the child
19 is not suffering from that contagious or infectious disease.

20 (f) Regulations formulated and promulgated pursuant to this
21 section shall include the recommendations of the State Department
22 of Health Care Services relative to health care screening and the
23 provision of health care services. The Superintendent shall seek
24 the advice and assistance of these health authorities in situations
25 where service under this chapter includes or requires care of
26 children who are ill or children with exceptional needs.

27 (g) (1) The Superintendent shall establish a fee schedule for
28 families utilizing early learning and educational support services
29 pursuant to this chapter, including families receiving services under
30 paragraph (1) of subdivision (b). Families receiving services under
31 subparagraph (B) of paragraph (1) of subdivision (b) may be
32 exempt from these fees for up to three months. Families receiving
33 services under subparagraph (C) of paragraph (1) of subdivision
34 (b) may be exempt from these fees for up to 12 months. The
35 cumulative period of time of exemption from these fees for families
36 receiving services under paragraph (1) of subdivision (b) shall not
37 exceed 12 months.

38 (2) The income of a recipient of federal supplemental security
39 income benefits pursuant to Title XVI of the federal Social Security
40 Act (42 U.S.C. Sec. 1381 et seq.) and state supplemental program

1 benefits pursuant to Title XVI of the federal Social Security Act
2 (42 U.S.C. Sec. 1381 et seq.) and Chapter 3 (commencing with
3 Section 12000) of Part 3 of Division 9 of the Welfare and
4 Institutions Code shall not be included as income for purposes of
5 determining the amount of the family fee.

6 ~~(h) (1) The family fee schedule shall provide, among other~~
7 ~~things, that a contractor or provider may require parents to provide~~
8 ~~diapers. A contractor or provider offering field trips either may~~
9 ~~include the cost of the field trips within the service rate charged~~
10 ~~to the parent or may charge parents an additional fee. Federal or~~
11 ~~state money shall not be used to reimburse parents for the costs of~~
12 ~~field trips if those costs are charged as an additional fee. A~~
13 ~~contractor or provider that charges parents an additional fee for~~
14 ~~field trips shall inform parents, before enrolling the child, that a~~
15 ~~fee may be charged and that no reimbursement will be available.~~

16 ~~(2) A contractor or provider may charge parents for field trips~~
17 ~~or require parents to provide diapers only under the following~~
18 ~~circumstances:~~

19 ~~(A) The provider has a written policy that is adopted by the~~
20 ~~agency's governing board that includes parents in the~~
21 ~~decisionmaking process regarding both of the following:~~

22 ~~(i) Whether or not, and how much, to charge for field trip~~
23 ~~expenses.~~

24 ~~(ii) Whether or not to require parents to provide diapers.~~

25 ~~(B) The maximum total of charges per child in a contract year~~
26 ~~does not exceed twenty-five dollars (\$25).~~

27 ~~(C) A child shall not be denied participation in a field trip due~~
28 ~~to the parent's inability or refusal to pay the charge. Adverse action~~
29 ~~shall not be taken against a parent for that inability or refusal.~~

30 ~~(3) Each contractor or provider shall establish a payment system~~
31 ~~that prevents the identification of children based on whether or~~
32 ~~not their parents have paid a field trip charge.~~

33 ~~(4) Expenses incurred and income received for field trips~~
34 ~~pursuant to this section shall be reported to the department. The~~
35 ~~income received for field trips shall be reported specifically as~~
36 ~~restricted income.~~

37 ~~(i) The Superintendent shall establish guidelines for the~~
38 ~~collection of employer-sponsored child care benefit payments from~~
39 ~~a parent whose child receives subsidized early learning and~~
40 ~~educational support services. These guidelines shall provide for~~

1 the collection of the full amount of the benefit payment, but not
2 to exceed the actual cost of early learning and educational support
3 services provided, notwithstanding the applicable fee based on the
4 fee schedule.

5 (j) The Superintendent shall establish guidelines according to
6 which the director or a duly authorized representative of the early
7 learning and educational support program will certify children as
8 eligible for state reimbursement pursuant to this section.

9 (k) Public funds shall not be paid directly or indirectly to an
10 agency that does not pay at least the minimum wage to each of its
11 employees.

12 *SEC. 60. Section 8263 of the Education Code is amended to*
13 *read:*

14 8263. (a) The Superintendent shall adopt rules and regulations
15 on eligibility, enrollment, and priority of services needed to
16 implement this chapter. In order to be eligible for federal and state
17 subsidized ~~child development~~ *early learning and educational*
18 *support* services, families shall meet at least one requirement in
19 each of the following areas:

20 (1) A family is (A) a current aid recipient, (B) income eligible,
21 (C) homeless, or (D) one whose children are recipients of protective
22 services, or whose children have been identified as being abused,
23 neglected, or exploited, or at risk of being abused, neglected, or
24 exploited.

25 (2) A family needs the child care services (A) because the child
26 is identified by a legal, medical, or social services agency, or
27 emergency shelter as (i) a recipient of protective services or (ii)
28 being neglected, abused, or exploited, or at risk of neglect, abuse,
29 or exploitation, or (B) because the parents are (i) engaged in
30 vocational training leading directly to a recognized trade,
31 paraprofession, or profession, (ii) employed or seeking
32 employment, (iii) seeking permanent housing for family stability,
33 or (iv) incapacitated.

34 (b) Except as provided in Article 15.5 (commencing with Section
35 8350), priority for federal and state subsidized ~~child development~~
36 *early learning and educational support* services is as follows:

37 (1) (A) First priority shall be given to neglected or abused
38 children who are recipients of child protective services, or children
39 who are at risk of being neglected or abused, upon written referral
40 from a legal, medical, or social services agency. If an agency is

1 unable to enroll a child in the first priority category, the agency
2 shall refer the family to local resource and referral services to
3 locate services for the child.

4 (B) A family who is receiving child care on the basis of being
5 a child at risk of abuse, neglect, or exploitation, as defined in
6 subdivision~~(k)~~ (i) of Section 8208, is eligible to receive services
7 pursuant to subparagraph (A) for up to three months, unless the
8 family becomes eligible pursuant to subparagraph (C).

9 (C) A family may receive child care services for up to 12 months
10 on the basis of a certification by the county child welfare agency
11 that child care services continue to be necessary or, if the child is
12 receiving child protective services during that period of time, and
13 the family requires child care and remains otherwise eligible. This
14 time limit does not apply if the family's child care referral is
15 recertified by the county child welfare agency.

16 (2) Second priority shall be given equally to eligible families,
17 regardless of the number of parents in the home, who are income
18 eligible. Within this priority, families with the lowest gross monthly
19 income in relation to family size, as determined by a schedule
20 adopted by the Superintendent, shall be admitted first. If two or
21 more families are in the same priority in relation to income, the
22 family that has a child with exceptional needs shall be admitted
23 first. If there is no family of the same priority with a child with
24 exceptional needs, the same priority family that has been on the
25 waiting list for the longest time shall be admitted first. For purposes
26 of determining order of admission, the grants of public assistance
27 recipients shall be counted as income.

28 (3) The Superintendent shall set criteria for, and may grant
29 specific waivers of, the priorities established in this subdivision
30 for agencies that wish to serve specific populations, including
31 children with exceptional needs or children of prisoners. These
32 new waivers shall not include proposals to avoid appropriate fee
33 schedules or admit ineligible families, but may include proposals
34 to accept members of special populations in other than strict income
35 order, as long as appropriate fees are paid.

36 (c) Notwithstanding any other law, in order to promote
37 continuity of services, a family enrolled in a state or federally
38 funded ~~child care and development~~ *early learning and educational*
39 *support* program whose services would otherwise be terminated
40 because the family no longer meets the program income, eligibility,

1 or need criteria may continue to receive ~~child development~~ services
2 in another state or federally funded ~~child care and development~~
3 *early learning and educational support* program if the contractor
4 is able to transfer the family's enrollment to another program for
5 which the family is eligible before the date of termination of
6 services or to exchange the family's existing enrollment with the
7 enrollment of a family in another program, provided that both
8 families satisfy the eligibility requirements for the program in
9 which they are being enrolled. The transfer of enrollment may be
10 to another program within the same administrative agency or to
11 another agency that administers state or federally funded ~~child~~
12 ~~care and development~~ *early learning and educational support*
13 programs.

14 (d) In order to promote continuity of services, the Superintendent
15 may extend the 60-working-day period specified in subdivision
16 (a) of Section 18086.5 of Title 5 of the California Code of
17 Regulations for an additional 60 working days if he or she
18 determines that opportunities for employment have diminished to
19 the degree that one or both parents cannot reasonably be expected
20 to find employment within 60 working days and granting the
21 extension is in the public interest. The scope of extensions granted
22 pursuant to this subdivision shall be limited to the necessary
23 geographic areas and affected persons, which shall be described
24 in the Superintendent's order granting the extension. It is the intent
25 of the Legislature that extensions granted pursuant to this
26 subdivision improve services in areas with high unemployment
27 rates and areas with disproportionately high numbers of seasonal
28 agricultural jobs.

29 (e) A physical examination and evaluation, including
30 age-appropriate immunization, shall be required before, or within
31 six weeks of, enrollment. A standard, rule, or regulation shall not
32 require medical examination or immunization for admission to a
33 ~~child care and development~~ *an early learning and educational*
34 *support* program of a child whose parent or guardian files a letter
35 with the governing board of the ~~child care and development~~
36 program stating that the medical examination or immunization is
37 contrary to his or her religious beliefs, or provide for the exclusion
38 of a child from the program because of a parent or guardian having
39 filed the letter. However, if there is good cause to believe that a
40 child is suffering from a recognized contagious or infectious

1 disease, the child shall be temporarily excluded from the program
2 until the governing board of the ~~child care and development~~
3 program is satisfied that the child is not suffering from that
4 contagious or infectious disease.

5 (f) Regulations formulated and promulgated pursuant to this
6 section shall include the recommendations of the State Department
7 of Health Care Services relative to health care screening and the
8 provision of health care services. The Superintendent shall seek
9 the advice and assistance of these health authorities in situations
10 where service under this chapter includes or requires care of
11 children who are ill or children with exceptional needs.

12 (g) The Superintendent shall establish guidelines for the
13 collection of employer-sponsored child care benefit payments from
14 a parent whose child receives subsidized ~~child care and~~
15 ~~development~~ *early learning and educational support* services.
16 These guidelines shall provide for the collection of the full amount
17 of the benefit payment, but not to exceed the actual cost of ~~child~~
18 ~~care and development~~ *early learning and educational support*
19 services provided, notwithstanding the applicable fee based on the
20 fee schedule.

21 (h) The Superintendent shall establish guidelines according to
22 which the director or a duly authorized representative of the ~~child~~
23 ~~care and development~~ *early learning and educational support*
24 program will certify children as eligible for state reimbursement
25 pursuant to this section.

26 (i) Public funds shall not be paid directly or indirectly to an
27 agency that does not pay at least the minimum wage to each of its
28 employees.

29 SEC. 61. Section 8263.2 of the Education Code is amended to
30 read:

31 8263.2. (a) Notwithstanding any other law, effective July 1,
32 2011, the department shall reduce the maximum reimbursable
33 amounts of the contracts for the Preschool Education Program, the
34 General Child Care Program, the Migrant Day Care Program, the
35 Alternative Payment Program, the CalWORKs Stage 3 Program,
36 and the Allowance for Handicapped Program by 11 percent or by
37 whatever proportion is necessary to ensure that expenditures for
38 these programs do not exceed the amounts appropriated for them,
39 including any reductions made subsequent to the adoption of the
40 annual Budget Act. The department may consider the contractor's

1 performance or whether the contractor serves children in an
2 underserved area, as defined in subdivision (ah) of Section 8208,
3 when determining contract reductions, provided that the aggregate
4 reduction to each program specified in this subdivision is 11
5 percent or by whatever proportion is necessary to ensure that
6 expenditures for these programs do not exceed the amounts
7 appropriated for them, including any reductions made subsequent
8 to the adoption of the annual Budget Act.

9 (b) Notwithstanding any other law, effective July 1, 2011,
10 families shall be disenrolled from subsidized services, consistent
11 with the priorities for services specified in subdivision (b) of
12 Section 8263. Families shall be disenrolled in the following order:

13 (1) Families whose income exceeds 70 percent of the state
14 median income (SMI) adjusted for family size, except for families
15 whose children are receiving child protective services or are at
16 risk of being neglected or abused.

17 (2) Families with the highest income below 70 percent of the
18 SMI, in relation to family size.

19 (3) Families that have the same income and have been enrolled
20 in services the longest.

21 (4) Families that have the same income and have a child with
22 exceptional needs.

23 (5) Families whose children are receiving child protective
24 services or are at risk of being neglected or abused, regardless of
25 family income.

26 SEC. 62. Section 8263.3 of the Education Code is amended to
27 read:

28 8263.3. (a) Notwithstanding any other law, and in addition to
29 any reductions applied pursuant to Section 8263.2, effective July
30 1, 2012, the department shall reduce the maximum reimbursable
31 amounts of the contracts for the General Child Care Program, the
32 Migrant Day Care Program, the Alternative Payment Program, the
33 CalWORKs Stage 3 Program, and the Allowance for Handicapped
34 Program by 8.7 percent or by whatever proportion is necessary to
35 ensure that expenditures for these programs do not exceed the
36 amounts appropriated for them, as adjusted for any reductions in
37 appropriations made subsequent to the adoption of the annual
38 Budget Act. The department may consider the contractor's
39 performance or whether the contractor serves children in an
40 underserved area, as defined in subdivision (ah) of Section 8208,

1 when determining contract reductions, provided that the aggregate
2 reduction to each program specified in this subdivision is 8.7
3 percent or whatever proportion is necessary to ensure that
4 expenditures for these programs do not exceed the amounts
5 appropriated for them, as adjusted for any reductions in
6 appropriations made subsequent to the adoption of the annual
7 Budget Act.

8 (b) Notwithstanding any other law, effective July 1, 2012,
9 families shall be disenrolled from subsidized services, consistent
10 with the priorities for services specified in subdivision (b) of
11 Section 8263. Families shall be disenrolled in the following order:

- 12 (1) Families with the highest income in relation to family size.
- 13 (2) Families that have the same income and have been enrolled
14 in services the longest.
- 15 (3) Families that have the same income and have a child with
16 exceptional needs.
- 17 (4) Families whose children are receiving child protective
18 services or are at risk of being neglected or abused, regardless of
19 family income.

20 SEC. 63. Section 8263.4 of the Education Code is amended to
21 read:

22 8263.4. (a) The preferred placement for children who are 11
23 or 12 years of age and who are otherwise eligible for subsidized
24 early learning and educational support services shall be in a before
25 or after school program.

26 (b) Children who are 11 or 12 years of age shall be eligible for
27 subsidized services only for the portion of care needed that is not
28 available in a before or after school program provided pursuant to
29 Article 22.5 (commencing with Section 8482) or Article 22.6
30 (commencing with Section 8484.7). Contractors shall provide each
31 family of an eligible 11- or 12-year-old child with the option of
32 combining care provided in a before or after school program with
33 subsidized care in another setting, for those hours within a day
34 when the before or after school program does not operate, in order
35 to meet the needs of the family.

36 (c) Children who are 11 or 12 years of age, who are eligible for
37 and who are receiving subsidized services, and for whom a before
38 or after school program is not available, shall continue to receive
39 subsidized services.

1 (d) A before or after school program shall be considered not
2 available when a parent certifies in writing, on a form provided
3 by the department that is translated into the parent's primary
4 language pursuant to Sections 7295.4 and 7296.2 of the
5 Government Code, the reason or reasons why the program would
6 not meet the needs of the family. The reasons why a before or after
7 school program shall be considered not available shall include,
8 but not be limited to, any of the following:

9 (1) The program does not provide services when needed during
10 the year, such as during the summer, school breaks, or intersession.

11 (2) The program does not provide services when needed during
12 the day, such as in the early morning, evening, or weekend hours.

13 (3) The program is too geographically distant from the child's
14 school of attendance.

15 (4) The program is too geographically distant from the parents'
16 residence.

17 (5) Use of the program would create substantial transportation
18 obstacles for the family.

19 (6) Any other reason that makes the use of before or after school
20 care inappropriate for the child or burdensome on the family.

21 (e) If an 11- or 12-year-old child who is enrolled in a subsidized
22 early learning and educational support program becomes ineligible
23 for subsidized care under subdivision (b) and is disenrolled from
24 the before or after school program, or if the before or after school
25 program no longer meets the needs of the family, the child shall
26 be given priority to return to the subsidized early learning and
27 educational support services upon the parent's notification of the
28 contractor of the need for child care.

29 (f) This section does not apply to an 11- or 12-year-old child
30 with a disability, including a child with exceptional needs who has
31 an individualized education program as required by the federal
32 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400
33 et seq.), Section 504 of the federal Rehabilitation Act of 1973 (29
34 U.S.C. Sec. 794), or Part 30 (commencing with Section 56000) of
35 Division 4 of Title 2.

36 (g) The savings generated each contract year by the
37 implementation of the changes made to this section by Chapter 78
38 of the Statutes of 2005 shall remain with each early learning and
39 educational support services contractor for the provision of
40 services, except for care provided by programs pursuant to Article

1 15.5 (commencing with Section 8350). Each contractor shall report
2 annually to the department the amount of savings resulting from
3 this implementation, and the department shall report annually to
4 the Legislature the amount of savings statewide resulting from that
5 implementation.

6 SEC. 64. Section 8264 of the Education Code is amended to
7 read:

8 8264. By July 1, 1981, and annually thereafter, the State
9 Department of Health Care Services shall provide a mechanism
10 for the delivery of health screening and followup services for
11 children enrolled in early learning and educational support
12 programs for whom there are no appropriate health services
13 accessible by referral.

14 SEC. 65. Section 8264.5 of the Education Code is amended to
15 read:

16 8264.5. The Superintendent may waive or modify requirements
17 in order to enable contractors administering ~~direct~~ early learning
18 services to serve combinations of eligible children in areas of low
19 population. The programs for which the Superintendent may grant
20 waivers shall include, but need not be limited to, California state
21 preschool full-day program services, services provided by the
22 California School Age Families Education Program (Article 7.1
23 (commencing with Section 54740) of Chapter 9 of Part 29 of
24 Division 4 of Title 2), infant and toddler services, migrant services,
25 and ~~direct~~ early learning programs operating pursuant to Article
26 8 (commencing with Section 8240).

27 SEC. 66. Section 8264.6 of the Education Code is amended to
28 read:

29 8264.6. The Superintendent may provide outreach services and
30 technical assistance to new applicants or contracting agencies and
31 to those providing services during nontraditional times, in
32 underserved geographic areas, and for children with specific service
33 needs, including infants and toddlers under three years of age.

34 SEC. 67. Section 8264.7 of the Education Code is amended to
35 read:

36 8264.7. (a) The Superintendent shall establish rules and
37 regulations for the staffing of all ~~direct~~ early learning services
38 under contract with the department.

39 (b) Priority shall be given by the department to the employment
40 of persons in ~~direct~~ early learning services with ethnic backgrounds

1 that are similar to those of the child for whom services are
2 provided.

3 (c) For purposes of staffing ~~direct~~ early learning services, the
4 role of a teacher in child supervision means direct supervision of
5 the children as well as supervision of aides and groups of children.

6 (d) Family child care homes shall operate pursuant to
7 adult-to-child ratios prescribed in Chapter 7 (commencing with
8 Section 86001) of Division 6 of Title 22 of the California Code of
9 Regulations.

10 (e) Approval by the Superintendent of any ongoing or new
11 programs seeking to operate under the ratios and standards
12 established by the Superintendent under this chapter shall be based
13 upon the following considerations:

14 (1) The type of facility in which care is being or is to be
15 provided.

16 (2) The ability of the Superintendent to implement a funding
17 source change.

18 (3) The proportion of nonsubsidized children enrolled or to be
19 enrolled by the agency.

20 (4) The most cost-effective ratios possible for the type of
21 services provided or to be provided by the agency.

22 (f) The Superintendent shall apply for waivers of federal
23 requirements as are necessary to carry out this section.

24 SEC. 68. Section 8264.8 of the Education Code is repealed.

25 SEC. 69. Section 8264.8 is added to the Education Code, to
26 read:

27 8264.8. (a) Early learning and educational support programs
28 shall maintain at least the following minimum ratios in all ~~direct~~
29 early learning services except for family child care home education
30 networks operating pursuant to Article 8.5 (commencing with
31 Section 8245):

32 (1) Infants, birth to 18 months old—1:3 adult-to-child ratio,
33 1:18 teacher-to-child ratio.

34 (2) Toddlers, 18 months up to their third birthday—1:4
35 adult-to-child ratio, 1:16 teacher-to-child ratio.

36 (3) Preschool, at least 30 months to kindergarten eligibility—1:8
37 adult-to-child ratio, 1:24 teacher-to-child ratio.

38 (4) Schoolage, enrolled in kindergarten to their 13th
39 birthday—1:14 adult-to-child ratio, 1:28 teacher-to-child ratio.

1 (b) Compliance with the ratios established by subdivision (a)
2 shall be determined based on actual attendance.

3 SEC. 70. Section 8265 of the Education Code is amended to
4 read:

5 8265. (a) The Superintendent shall implement a plan that
6 establishes reasonable standards and assigned reimbursement rates,
7 which vary with the length of the program year and the hours of
8 service.

9 (1) Parent fees shall be used to pay reasonable and necessary
10 costs for providing additional services.

11 (2) When establishing standards and assigned reimbursement
12 rates, the Superintendent shall confer with applicant agencies.

13 (3) The reimbursement system, including standards and rates,
14 shall be submitted to the Joint Legislative Budget Committee.

15 (4) The Superintendent may establish any regulations he or she
16 deems advisable concerning conditions of service and hours of
17 enrollment for children in the programs.

18 (b) The standard reimbursement rate shall be three thousand
19 five hundred twenty-three dollars (\$3,523) per unit of average
20 daily enrollment for a 250-day year, increased by the cost-of-living
21 adjustment granted by the Legislature beginning July 1, 1980.

22 (c) The plan shall require agencies having an assigned
23 reimbursement rate above the current year standard reimbursement
24 rate to reduce costs on an incremental basis to achieve the standard
25 reimbursement rate.

26 (d) The plan shall provide for adjusting reimbursement on a
27 case-by-case basis, in order to maintain service levels for agencies
28 currently at a rate less than the standard reimbursement rate.
29 Assigned reimbursement rates shall be increased only on the basis
30 of one or more of the following:

31 (1) Loss of program resources from other sources.

32 (2) Need of an agency to pay the same rates as those prevailing
33 in the local community.

34 (3) Increased costs directly attributable to new or different
35 regulations.

36 (4) Documented increased costs necessary to maintain the prior
37 year's level of service and ensure the continuation of threatened
38 programs. Agencies funded at the lowest rates shall be given first
39 priority for increases.

1 (e) The plan shall provide for expansion of ~~direct~~ early learning
2 services at no more than the standard reimbursement rate for that
3 fiscal year.

4 (f) The Superintendent may reduce the percentage of reduction
5 for a public agency that satisfies any of the following:

- 6 (1) Serves more than 400 children.
- 7 (2) Has in effect a collective bargaining agreement.
- 8 (3) Has other extenuating circumstances that apply, as
9 determined by the Superintendent.

10 SEC. 71. Section 8266 of the Education Code is amended to
11 read:

12 8266. (a) Notwithstanding Section 8265, the assigned
13 reimbursement rate of ~~a direct~~ *an* early learning program (1)
14 contracting with the department, (2) operating under licensing
15 standards for child care and development facilities specified by
16 Section 1500 et seq. of the Health and Safety Code and by Title
17 22 of the California Code of Regulations, and (3) with less than a
18 majority of subsidized children enrolled in the facility, shall be
19 equivalent to the fee paid for the same service by families of
20 nonsubsidized children.

21 (b) It is not the intent of the Legislature to preclude an agency
22 with a contract with the department from adjusting the fees charged
23 to nonsubsidized children during the contract year. In no event
24 shall the assigned reimbursement rate exceed the standard
25 reimbursement rate established pursuant to Section 8265.

26 (c) An agency subject to this section shall provide
27 documentation to the department that subsidized children, as
28 necessary and appropriate, shall receive supportive services through
29 county welfare departments, resource and referral programs, or
30 other existing community resources, or all of them.

31 SEC. 72. Section 8266.1 of the Education Code is amended to
32 read:

33 8266.1. Commencing with the 1995–96 fiscal year and each
34 fiscal year thereafter, for the purposes of this chapter,
35 reimbursement rates shall be adjusted by the following
36 reimbursement factors for ~~direct~~ early learning services with a
37 standard reimbursement rate, but shall not apply to the resource
38 and referral programs set forth in Article 2 (commencing with
39 Section 8210), the alternative payment programs set forth in Article
40 3 (commencing with Section 8220), or the part-day California state

1 preschool programs set forth in Article 7 (commencing with
2 Section 8235).

3 (a) For ~~direct~~ early learning services serving children for less
4 than four hours per day, the reimbursement factor is 55 percent of
5 the standard reimbursement rate.

6 (b) For ~~direct~~ early learning services serving children for not
7 less than four hours per day, and less than six and one-half hours
8 per day, the reimbursement factor is 75 percent of the standard
9 reimbursement rate.

10 (c) For ~~direct~~ early learning services serving children for not
11 less than six and one-half hours per day, and less than 10½ hours
12 per day, the reimbursement factor is 100 percent of the standard
13 reimbursement rate.

14 (d) For ~~direct~~ early learning services serving children for 10½
15 hours or more per day, the reimbursement factor is 118 percent of
16 the standard reimbursement rate.

17 SEC. 73. Section 8272 of the Education Code is amended to
18 read:

19 8272. (a) The rules, regulations, and guidelines adopted by
20 the Superintendent pursuant to Sections 8261 and 8269 shall permit
21 reimbursement for interest paid by contractors on private sector
22 debt financing for the purchase, lease-purchase, repair, or
23 renovation of early learning and educational support facilities
24 owned or leased by contractors providing early learning and
25 educational support services.

26 (b) The Superintendent shall adopt regulations requiring
27 contractors to demonstrate that the amount of interest paid in a
28 year on private sector debt financing for the purposes identified
29 in subdivision (a) does not exceed the value obtained by the state
30 in the use of the facilities during the year for the early learning
31 and educational support services program. The regulations shall
32 include, but not be limited to, the following methods of making
33 this demonstration:

34 (1) Amortization of a loan or lease-purchase contract on a
35 straight-line basis for the purchase price of a portable building,
36 including any transportation charges, installation charges, loan
37 fees, taxes, points, or other fees associated with the purchase, over
38 a period of 15 years or more.

39 (2) Amortization of a loan or lease-purchase contract on a
40 straight-line basis for the purchase price of a permanent building

1 and real estate, including any loan fees, taxes, points, or other fees
2 associated with the purchase, over a period of 15 years or more.

3 (3) Evidence acceptable to the Superintendent that loan
4 payments for the purchase of a portable building or permanent
5 building and real estate, including principal and interest, do not
6 exceed the fair market rental cost that the contractor would have
7 paid if the property was not purchased.

8 (c) Loans or lease-purchase agreements amortized over the
9 number of years designated in subdivision (b), but due in a fewer
10 number of years, shall not be disallowed because of the shorter
11 due date.

12 SEC. 74. Section 8275 of the Education Code is amended to
13 read:

14 8275. (a) The Superintendent may reimburse approvable
15 startup costs of agencies or facilities in an amount not to exceed
16 15 percent of the expansion or increase of each agency's total
17 contract amount. Under no circumstances shall reimbursement for
18 startup costs result in an increase in the agency's total contract
19 amount. These funds shall be available for all of the following:

- 20 (1) The employment and orientation of necessary staff.
- 21 (2) The setting up of the program and facility.
- 22 (3) The finalization of rental agreements and the making of
23 necessary deposits.
- 24 (4) The purchase of a reasonable inventory of materials and
25 supplies.
- 26 (5) The purchase of an initial premium for insurance.

27 (b) Agencies shall submit claims for startup costs with their first
28 quarterly reports.

29 (c) The Legislature recognizes that allowances for startup costs
30 are necessary for the establishment and stability of new early
31 learning and educational support programs.

32 SEC. 75. Section 8276.7 of the Education Code is amended to
33 read:

34 8276.7. Unless specifically exempted by the Legislature, the
35 administrative cost for all state-funded early learning and
36 educational support programs and all federal programs
37 administered by the state shall not exceed 15 percent of the funds
38 provided for those programs. Eighty-five percent of these funds
39 shall be used to provide direct services in accordance with rules

1 and regulations, or contractual funding terms and conditions
2 prescribed by the Superintendent.

3 SEC. 76. Section 8277 of the Education Code is amended to
4 read:

5 8277. (a) The Superintendent shall establish regulations for
6 the allocation of capital outlay funds provided pursuant to Sections
7 8277.1 to 8277.4, inclusive, to benefit children most needing early
8 learning and educational support programs. The first priority for
9 all capital outlay shall be given to facilities located in geographic
10 areas with no other available enrollment slots in existing subsidized
11 and nonsubsidized child care and development facilities. This
12 capital outlay funding shall be used solely for purposes of
13 renovation and repair of existing buildings.

14 (b) The Superintendent shall establish qualifications for
15 determining the eligibility of contracting agencies and day care
16 homes to apply for capital outlay funds.

17 SEC. 77. Section 8277.8 of the Education Code is amended to
18 read:

19 8277.8. (a) In the event that a school district elects to
20 discontinue its contract for early learning and educational support
21 services, the facilities owned by the school district and constructed
22 through the provisions of the local tax override for early learning
23 and educational support program purposes shall be made available
24 to the local contractor whose bid is accepted for continuation of
25 the services.

26 (b) The rent for the facilities shall not exceed the prevailing
27 rental rate for such facilities.

28 SEC. 78. Section 8278.3 of the Education Code is amended to
29 read:

30 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
31 hereby established in the State Treasury to provide funding for the
32 renovation, repair, or improvement of an existing building to make
33 the building suitable for licensure for early learning and educational
34 support services and for the purchase of new relocatable child care
35 facilities for lease to school districts and contracting agencies that
36 provide early learning and educational support services pursuant
37 to this chapter. The Superintendent may transfer state funds
38 appropriated for child care facilities into this fund for allocation
39 to school districts and contracting agencies, as specified, for the
40 purchase, transportation, and installation of facilities for

1 replacement and expansion of capacity. School districts and
2 contracting agencies using facilities made available by the use of
3 these funds shall be charged a leasing fee, either at a fair market
4 value for those facilities or at an amount sufficient to amortize the
5 cost of purchase and relocation, whichever amount is lower, over
6 a 10-year period. Upon full repayment of the purchase and
7 relocation costs, title shall transfer from the State of California to
8 the school district or contracting agency. The Superintendent shall
9 deposit all revenue derived from the lease payments into the Child
10 Care Facilities Revolving Fund.

11 (2) Notwithstanding Section 13340 of the Government Code,
12 all moneys in the fund, including moneys deposited from lease
13 payments, are continuously appropriated, without regard to fiscal
14 years, to the Superintendent for expenditure pursuant to this article.

15 (b) On or before August 1 of each fiscal year, the Superintendent
16 shall submit to the Department of Finance and the Legislative
17 Analyst's Office a report detailing the number of funding requests
18 received and their purpose, the types of agencies that received
19 funding from the Child Care Facilities Revolving Fund, the
20 increased capacity that these facilities generated, a description of
21 the manner in which the facilities are being used, and a projection
22 of the lease payments collected and the funds available for future
23 use.

24 (c) A school district or county office of education that provides
25 services pursuant to the California School Age Families Education
26 Program (Article 7.1 (commencing with Section 54740) of Chapter
27 9 of Part 29 of Division 4 of Title 2) is eligible to apply for and
28 receive funding pursuant to this section.

29 SEC. 79. Section 8279.1 of the Education Code is amended to
30 read:

31 8279.1. (a) The Legislature recognizes that early learning and
32 educational support programs have made valuable contributions
33 towards ensuring that public assistance recipients will be able to
34 accept and maintain employment or employment-related training.
35 Therefore, it is the intent of the Legislature that the Superintendent
36 ensure that counties comply with the requirements of Section 8279.

37 (b) The Superintendent shall ensure each county's compliance
38 with Section 8279 by not issuing funds to a local contractor within
39 a county until the Superintendent has received written certification
40 from that county that the level of expenditure for services provided

1 by the county has been maintained at the 1970–71 fiscal year level
2 pursuant to Section 8279. Funding provided by a county to a local
3 contractor shall not adversely affect the reimbursement received
4 by the agency from the Superintendent pursuant to Section 8265,
5 8265.5, or 8266.

6 SEC. 80. Section 8279.3 of the Education Code is amended to
7 read:

8 8279.3. (a) The department shall disburse augmentations to
9 the base allocation for the expansion of early learning and
10 educational support programs to promote equal access to these
11 services across the state.

12 (b) The Superintendent shall use the formula developed pursuant
13 to subdivision (c) and the priorities identified by local planning
14 councils, unless those priorities do not meet the requirements of
15 state or federal law, as a guide in disbursing augmentations
16 pursuant to subdivision (a).

17 (c) The Superintendent shall develop a formula for prioritizing
18 the disbursement of augmentations pursuant to this section. The
19 formula shall give priority to allocating funds to underserved areas.
20 The Superintendent shall develop the formula by using the
21 definition of “underserved area” in subdivision (ah) of Section
22 8208 and direct impact indicators of need for early learning and
23 educational support services in the county or subcounty areas. For
24 purposes of this section, “subcounty areas” include, but are not
25 limited to, school districts, census tracts, or ZIP Code areas that
26 are deemed by the Superintendent to be most appropriate to the
27 type of program receiving an augmentation. Direct impact
28 indicators of need may include, but are not limited to, the teenage
29 pregnancy rate, the unemployment rate, area household income,
30 or the number or percentage of families receiving public assistance,
31 eligible for Medi-Cal, or eligible for free or reduced-price school
32 meals, and any unique characteristics of the population served by
33 the type of program receiving an augmentation.

34 (d) To promote equal access to services, the Superintendent
35 shall include in guidelines developed for use by local planning
36 councils pursuant to subdivision (d) of Section 8499.5 guidance
37 on identifying underserved areas and populations within counties.
38 This guidance shall include reference to the direct impact indicators
39 of need described in subdivision (c).

1 SEC. 81. Section 8279.4 of the Education Code is amended to
2 read:

3 8279.4. The Legislature finds and declares the following:

4 (a) There is a serious shortage of quality child day care facilities
5 throughout the state.

6 (b) It is in the interest of the state's children and families, and
7 the state's economic growth, to encourage the expansion of existing
8 child day care facilities by assisting communities and interested
9 government and private entities to finance child day care facilities.

10 (c) In addition to regional resource centers described in
11 Provision 7(d) of Item 6110-196-0001 of the Budget Act of 1999,
12 which focus on developing care capacity in underserved areas of
13 the state, there is a need to access capital for facilities on a
14 systematic basis, especially to use limited public sector funds to
15 leverage a greater private sector role in financing child day care
16 facilities. The Legislature finds and declares that a financial
17 intermediary could fill this role and support the regional resource
18 centers and other local entities that work with potential providers
19 by functioning as a centralized repository of training, best practices,
20 and expertise on facilities financing.

21 SEC. 82. Section 8279.5 of the Education Code is amended to
22 read:

23 8279.5. (a) The Superintendent shall contract with a nonprofit
24 organization to serve as a financial intermediary. The nonprofit
25 organization shall have staff who have expertise in financing and
26 capital expansion, are knowledgeable about the early learning and
27 educational support field, and have the ability to develop and
28 implement a plan to increase the availability of financing to
29 renovate, expand, and construct child day care facilities, both in
30 centers and family child care homes.

31 (b) The financial intermediary selected by the Superintendent
32 shall undertake activities designed to increase funds available from
33 the private and public sectors for the financing of child day care
34 facilities. These activities shall include, but are not limited to, all
35 of the following:

36 (1) Soliciting capital grants and program-related investments
37 from foundations and corporations.

38 (2) Building partnerships with foundations and corporations.

39 (3) Developing lending commitments, linked deposits, and other
40 financing programs with conventional financial institutions.

1 (4) Coordinating private sources of capital with existing public
2 sector sources of financing for child day care facilities, including,
3 but not limited to, the Department of Housing and Community
4 Development and the California Infrastructure and Economic
5 Development Bank.

6 (5) Coordinating financing efforts with the technical assistance
7 provided by the regional resource centers described in Provision
8 7(d) of Item 6110-196-0001 of the Budget Act of 1999, and other
9 local entities that work with potential providers.

10 (c) This section shall only be implemented to the extent that
11 funds are appropriated for this purpose in the annual Budget Act.

12 SEC. 83. Section 8279.7 of the Education Code is amended to
13 read:

14 8279.7. (a) The Legislature recognizes the importance of
15 providing high-quality early learning and educational support
16 services. It is, therefore, the intent of the Legislature to assist
17 counties in improving the retention and professional growth of
18 qualified instructional employees who work directly with children
19 who receive state-subsidized ~~direct~~ early learning services.

20 (b) It is further the intent of the Legislature, in amending this
21 section during the 2009–10 Regular Session, to address the unique
22 challenges of the County of Los Angeles, in which an estimated
23 60,000 low-income children receive subsidized care in
24 nonstate-funded child care settings and an additional 50,000
25 eligible children are waiting for subsidized services.

26 (c) (1) Except as provided in paragraph (2), the funds
27 appropriated for the purposes of this section by paragraph (11) of
28 Schedule (b) of Item 6110-196-0001 of Section 2.00 of the Budget
29 Act of 2000 (Chapter 52 of the Statutes of 2000), and that are
30 described in subdivision (i) of Provision 7 of that item, and any
31 other funds appropriated for purposes of this section, shall be
32 allocated to local planning councils based on the percentage of
33 state-subsidized, ~~direct~~ early learning services funds received in
34 that county, and shall be used to address the retention of qualified
35 instructional employees in state-subsidized centers.

36 (2) Of the funds identified in paragraph (1), funds qualified
37 pursuant to subparagraphs (A) to (C), inclusive, may also be used
38 to address the retention and professional growth of qualified
39 persons working in licensed early learning and educational support
40 programs and that serve a majority of children who receive

1 subsidized-direct early learning services pursuant to this chapter,
2 including, but not limited to, family day care homes as defined in
3 Section 1596.78 of the Health and Safety Code. To qualify for use
4 pursuant to this paragraph, the funds shall meet all of the following
5 requirements:

6 (A) The funds are allocated for use in the County of Los
7 Angeles.

8 (B) The funds are appropriated in the annual Budget Act.

9 (C) The funds are unexpended after addressing the retention of
10 qualified employees in state-subsidized centers and family child
11 care home education networks.

12 (d) The department shall develop guidelines for use by local
13 planning councils in developing county plans for the expenditure
14 of funds allocated pursuant to this section. These guidelines shall
15 be consistent with the department's assessment of the current needs
16 of the subsidized workforce, and shall be subject to the approval
17 of the Department of Finance. Any county plan developed pursuant
18 to these guidelines shall be approved by the department before the
19 allocation of funds to the local planning council.

20 (e) Funds provided to a county for the purposes of this section
21 shall be used in accordance with the plan approved pursuant to
22 subdivision (d). A county with an approved plan may retain up to
23 1 percent of the county's total allocation made pursuant to this
24 section for reimbursement of administrative expenses associated
25 with the planning process.

26 (f) The Superintendent shall provide an annual report, no later
27 than April 10 of each year, to the Legislature, the Department of
28 Finance, and the Governor that includes, but is not limited to, a
29 summary of the distribution of the funds by county and a
30 description of the use of the funds.

31 SEC. 84. Section 8282 of the Education Code is amended to
32 read:

33 8282. (a) The Legislature finds and declares that the state
34 makes a substantial, annual investment in preschool, infant and
35 toddler, and schoolage early learning and educational support
36 programs for eligible families. It is in the best interests of children
37 and their families, and the taxpayers of California, to have
38 information about the development and learning abilities of
39 children developed in these settings, health and other information

1 transferred to, or otherwise available to, the pupil's elementary
2 school.

3 (b) When a child in a state-funded preschool or infant and
4 toddler program will be transferring to a local public school, the
5 preschool or infant and toddler program shall provide the parent
6 or guardian with information from the previous year deemed
7 beneficial to the pupil and the public school teacher, including,
8 but not limited to, development issues, social interaction abilities,
9 health background, and diagnostic assessments, if any. The
10 preschool or infant and toddler program may, with the permission
11 of the parent or guardian, transfer this information to the pupil's
12 elementary school.

13 (c) Any child who has participated in a state subsidized
14 California state preschool program that maintains results-based
15 standards, including the desired results accountability system, may
16 have the performance information transferred to any subsequent
17 or concurrent public school setting. Any transferred information
18 shall be in summary form and only accomplished with the
19 permission of the parent or guardian.

20 SEC. 85. Section 8320 of the Education Code is amended to
21 read:

22 8320. The governing board of any school district or a county
23 superintendent of schools with the approval of the county board
24 of education is authorized to establish and maintain early learning
25 and educational support programs upon the approval of, and subject
26 to the regulations of the Superintendent.

27 SEC. 86. Section 8321 of the Education Code is amended to
28 read:

29 8321. (a) The county superintendent of schools in each county,
30 with the approval of the county board of education and the
31 Superintendent, shall have the authority to establish and maintain
32 ~~direct~~ early learning services in the same manner and to the same
33 extent as governing boards of school or community college
34 districts, except that nothing in this section shall be construed as
35 vesting in the county superintendents of schools any authority to
36 alone effect the levy and collection of any county, school, or other
37 local taxes for the support of any ~~direct~~ early learning services.

38 (b) The establishment and maintenance of any ~~direct~~ early
39 learning services by the county superintendent of schools shall be
40 undertaken, subject to the prior approval of both the county board

1 of education and the Superintendent, upon the application of one
2 or more school districts under his or her jurisdiction.

3 SEC. 87. Section 8324 of the Education Code is amended to
4 read:

5 8324. The employees of school districts or community college
6 districts, or county superintendents of schools in ~~direct~~ early
7 learning services under this division shall have the same rights and
8 privileges as are granted to employees of the same agencies in
9 children's centers.

10 SEC. 88. Section 8327 of the Education Code is amended to
11 read:

12 8327. Notwithstanding any other provision of this chapter, the
13 governing board of a school district or community college district,
14 county superintendent of schools, or other unit of local general
15 purpose government may enter into agreements with any city, city
16 and county, or other public agency, or with a private foundation,
17 nonprofit corporation, or proprietary agency for the furnishing to,
18 or use by, the governing board, county superintendent of schools,
19 or other unit of local general purpose government in carrying out
20 the provisions of this chapter, of property, facilities, personnel,
21 supplies, equipment, and other necessary items and such city,
22 county, city and county, other public agency, or private foundation
23 or nonprofit corporation, is authorized to enter into the agreements.

24 SEC. 89. Section 8328 of the Education Code is amended to
25 read:

26 8328. (a) The governing board of any school district or the
27 county superintendent of schools shall establish in the county
28 treasury a fund to be known as the "child development fund" into
29 which shall be paid all funds received by the district or the county
30 for, or from the operation of, early learning and educational support
31 services under this chapter. The costs incurred in the maintenance
32 and operation of services shall be paid from the fund, with
33 accounting to reflect specific funding sources.

34 (b) Funds of a district derived from the receipt of district taxes
35 or derived from moneys apportioned to the district for the support
36 of schools of the district, in addition to state moneys appropriated
37 for the support of services, fees, and federal funds, may be
38 expended for, or in connection with these services.

39 SEC. 90. Section 8329 of the Education Code is amended to
40 read:

1 8329. The governing board of any school district maintaining
 2 an early learning and educational support program may include in
 3 its budget the amount necessary to initiate, operate, and maintain
 4 a program pursuant to this chapter and the board of supervisors
 5 shall levy a school district tax necessary to raise that amount. The
 6 tax shall be in addition to any other school district tax authorized
 7 by law to be levied.

8 SEC. 91. The heading of Article 15.2 (commencing with
 9 Section 8335) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
 10 Education Code is amended to read:

11
 12 Article 15.2. Subsidy Plan for the City and County of San
 13 Francisco
 14

15 SEC. 92. Section 8335.1 of the Education Code is amended to
 16 read:

17 8335.1. Before implementing the local subsidy plan, the City
 18 and County of San Francisco, in consultation with the department,
 19 shall develop an individualized county subsidy plan for the city
 20 and county that includes the following four elements:

21 (a) An assessment to identify the city and county’s goal for its
 22 subsidized care system. The assessment shall examine whether
 23 the current structure of subsidized care funding adequately supports
 24 working families in the city and county and whether the city and
 25 county’s goals coincide with the state’s requirements for funding,
 26 eligibility, priority, and reimbursement. The assessment shall also
 27 identify barriers in the state’s subsidy system that inhibit the city
 28 and county from meeting its goals. In conducting the assessment,
 29 the city and county shall consider all of the following:

- 30 (1) The general demographics of families who are in need of
- 31 care, including employment, income, language, ethnic, and family
- 32 composition.
- 33 (2) The current supply of available subsidized care.
- 34 (3) The level of need for various types of subsidized services
- 35 including, but not limited to, infant care, after-hours care, and care
- 36 for children with exceptional needs.
- 37 (4) The city and county’s self-sufficiency income level.
- 38 (5) Income eligibility levels for subsidized care.
- 39 (6) Family fees.
- 40 (7) The cost of providing care.

1 (8) The regional market rates, as established by the department,
2 for different types of care.

3 (9) The standard reimbursement rate or state per diem for centers
4 operating under contracts with the department.

5 (10) Trends in the county's unemployment rate and housing
6 affordability index.

7 (b) Development of a local policy to eliminate state-imposed
8 regulatory barriers to the city and county's achievement of its
9 desired outcomes for subsidized care.

10 (1) The local policy shall do all of the following:

11 (A) Prioritize lowest income families first.

12 (B) Follow the family fee schedule established pursuant to
13 subdivision (f) of Section 8263 for those families that are income
14 eligible, as defined by Section 8263.1.

15 (C) Meet local goals that are consistent with the state's goals.

16 (D) Identify existing policies that would be affected by the city
17 and county's subsidy plan.

18 (E) (i) Authorize any agency that provides early learning and
19 educational support services in the city and county through a
20 contract with the department to apply to the department to amend
21 existing contracts in order to benefit from the local policy once it
22 is adopted.

23 (ii) The department shall approve an application to amend an
24 existing contract if the subsidy plan is approved pursuant to
25 subdivision (b) of Section 8335.3, or modified pursuant to
26 subdivision (c) of Section 8335.3.

27 (iii) The contract of a department contractor who does not elect
28 to request an amendment to its contract remains operative and
29 enforceable.

30 (2) (A) The city and county shall, by the end of the first fiscal
31 year of operation under the approved subsidy plan, demonstrate
32 an increase in the aggregate child days of enrollment in the county
33 as compared to the enrollment in the final quarter of the 2004–05
34 fiscal year.

35 (B) The amount of the increase shall be at least equal to the
36 aggregate child days of enrollment in the final quarter of the
37 2004–05 fiscal year for all contracts amended as provided in
38 subparagraph (E) of paragraph (1), under which the contractor
39 receives an increase in its reimbursement rate, multiplied by 2
40 percent.

1 (3) The local policy may supersede state law concerning subsidy
 2 programs with regard only to the following factors:

3 (A) Eligibility criteria including, but not limited to, age, family
 4 size, time limits, income level, inclusion of former and current
 5 CalWORKs participants, and special needs considerations, except
 6 that the local policy may not deny or reduce eligibility of a family
 7 that qualifies for care pursuant to Section 8353. Under the local
 8 policy, a family that qualifies for care pursuant to Section 8354
 9 shall be treated for purposes of eligibility and fees in the same
 10 manner as a family that qualifies for subsidized care on another
 11 basis pursuant to the local policy.

12 (B) Fees including, but not limited to, family fees, sliding scale
 13 fees, and copayments for those families that are not income eligible,
 14 as defined by Section 8263.1.

15 (C) Reimbursement rates.

16 (D) Methods of maximizing the efficient use of subsidy funds,
 17 including, but not limited to, multiyear contracting with the
 18 department for ~~direct~~ early learning services, and interagency
 19 agreements that allow for flexible and temporary transfer of funds
 20 among agencies.

21 (c) Recognition that all funding sources utilized by direct service
 22 contractors that provide early learning and educational support
 23 services in the city and county are eligible to be included in the
 24 subsidy plan of the city and county.

25 (d) Establishment of measurable outcomes to evaluate the
 26 success of the plan to achieve the city and county’s goals and to
 27 overcome any barriers identified in the state’s subsidy system. The
 28 State Department of Social Services shall have an opportunity to
 29 review and comment on the proposed measurable outcomes before
 30 they are submitted to the local planning council for approval
 31 pursuant to Section 8335.3.

32 ~~SEC. 93. Section 8335.5 of the Education Code is amended to~~
 33 ~~read:~~

34 ~~8335.5. The City and County of San Francisco may implement~~
 35 ~~an individualized subsidy plan until July 1, 2014, at which date~~
 36 ~~the city and county shall terminate the plan. Between July 1, 2014,~~
 37 ~~and July 1, 2016, the city and county shall phase out the~~
 38 ~~individualized county subsidy plan and, as of July 1, 2016, shall~~
 39 ~~implement the state’s requirements for subsidies. A child enrolling~~
 40 ~~for the first time for subsidized care in the city and county after~~

1 ~~July 1, 2014, shall not be enrolled in the pilot program established~~
2 ~~pursuant to this article and is subject to existing state laws and~~
3 ~~regulations regarding eligibility and priority.~~

4 *SEC. 93. Section 8335.5 of the Education Code is amended to*
5 *read:*

6 8335.5. The City and County of San Francisco may implement
7 an individualized ~~child-care~~ subsidy plan until July 1, 2015, at
8 which date the city and county shall terminate the plan. Between
9 July 1, 2015, and July 1, 2017, the city and county shall phase out
10 the individualized county ~~child-care~~ subsidy plan and, as of July
11 1, 2017, shall implement the state's requirements for ~~child-care~~
12 subsidies. A child enrolling for the first time for subsidized ~~child~~
13 care in the city and county after July 1, 2015, shall not be enrolled
14 in the pilot program established pursuant to this article and is
15 subject to existing state laws and regulations regarding ~~child-care~~
16 eligibility and priority.

17 *SEC. 94. The heading of Article 15.3 (commencing with*
18 *Section 8340) of Chapter 2 of Part 6 of Division 1 of Title 1 of the*
19 *Education Code is amended to read:*

20
21 **Article 15.3. Individualized County Subsidy Plan**
22

23 *SEC. 95. Section 8341 of the Education Code is amended to*
24 *read:*

25 8341. Before implementing the local subsidy plan, the County
26 of San Mateo, in consultation with the department, shall develop
27 an individualized county subsidy plan that includes the following
28 four elements:

29 (a) An assessment to identify the county's goal for its subsidized
30 care system. The assessment shall examine whether the current
31 structure of subsidized care funding adequately supports working
32 families in the county and whether the county's goals coincide
33 with the state's requirements for funding, eligibility, priority, and
34 reimbursement. The assessment shall also identify barriers in the
35 state's subsidy system that inhibit the county from meeting its
36 goals. In conducting the assessment, the county shall consider all
37 of the following:

38 (1) The general demographics of families who are in need of
39 care, including employment, income, language, ethnic, and family
40 composition.

- 1 (2) The current supply of available subsidized care.
- 2 (3) The level of need for various types of subsidized services
- 3 including, but not limited to, infant care, after-hours care, and care
- 4 for children with exceptional needs.
- 5 (4) The county's self-sufficiency income level.
- 6 (5) Income eligibility levels for subsidized care.
- 7 (6) Family fees.
- 8 (7) The cost of providing care.
- 9 (8) The regional market rates, as established by the department,
- 10 for different types of care.
- 11 (9) The standard reimbursement rate or state per diem for centers
- 12 operating under contracts with the department.
- 13 (10) Trends in the county's unemployment rate and housing
- 14 affordability index.
- 15 (b) Development of a local policy to eliminate state-imposed
- 16 regulatory barriers to the county's achievement of its desired
- 17 outcomes for subsidized care.
- 18 (1) The local policy shall do all of the following:
- 19 (A) Prioritize lowest income families first.
- 20 (B) Follow the family fee schedule established pursuant to
- 21 subdivision (f) of Section 8263 for those families that are income
- 22 eligible, as defined by Section 8263.1.
- 23 (C) Meet local goals that are consistent with the state's goals.
- 24 (D) Identify existing policies that would be affected by the
- 25 county's subsidy plan.
- 26 (E) (i) Authorize any agency that provides early learning and
- 27 educational support services in San Mateo County through a
- 28 contract with the department to apply to the department to amend
- 29 existing contracts in order to benefit from the local policy once it
- 30 is adopted.
- 31 (ii) The department shall approve an application to amend an
- 32 existing contract if the subsidy plan is approved pursuant to
- 33 subdivision (b) of Section 8342, or modified pursuant to
- 34 subdivision (c) of Section 8342.
- 35 (iii) The contract of a department contractor who does not elect
- 36 to request an amendment to its contract remains operative and
- 37 enforceable.
- 38 (2) (A) The County of San Mateo shall, by the end of the first
- 39 fiscal year of operation under the approved subsidy plan,
- 40 demonstrate an increase in the aggregate child days of enrollment

1 in the county as compared to the enrollment in the final quarter of
2 the 2002–03 fiscal year.

3 (B) The amount of the increase shall be at least equal to the
4 aggregate child days of enrollment in the final quarter of the
5 2002–03 fiscal year for all contracts amended as provided in
6 subparagraph (E) of paragraph (1), under which the contractor
7 receives an increase in its reimbursement rate, multiplied by 2
8 percent.

9 (3) The local policy may supersede state law concerning subsidy
10 programs with regard only to the following factors:

11 (A) Eligibility criteria including, but not limited to, age, family
12 size, time limits, income level, inclusion of former and current
13 CalWORKs participants, and special needs considerations, except
14 that the local policy may not deny or reduce eligibility of a family
15 that qualifies for care pursuant to Section 8353. Under the local
16 policy, a family that qualifies for care pursuant to Section 8354
17 shall be treated for purposes of eligibility and fees in the same
18 manner as a family that qualifies for subsidized care on another
19 basis pursuant to the local policy.

20 (B) Fees including, but not limited to, family fees, sliding scale
21 fees, and copayments for those families that are not income eligible,
22 as defined by Section 8263.1.

23 (C) Reimbursement rates.

24 (D) Methods of maximizing the efficient use of subsidy funds,
25 including, but not limited to, multiyear contracting with the
26 department for ~~direct~~ early learning services, and interagency
27 agreements that allow for flexible and temporary transfer of funds
28 among agencies.

29 (c) Recognition that all funding sources utilized by direct service
30 contractors that provide early learning and educational support
31 services in San Mateo County are eligible to be included in the
32 subsidy plan of the county.

33 (d) Establishment of measurable outcomes to evaluate the
34 success of the plan to achieve the county’s goals and to overcome
35 any barriers identified in the state’s subsidy system. The State
36 Department of Social Services shall have an opportunity to review
37 and comment on the proposed measurable outcomes before they
38 are submitted to the local planning council for approval pursuant
39 to Section 8342.

1 SEC. 96. Section 8341.5 of the Education Code is amended to
2 read:

3 8341.5. To ensure that the annual and final reports required
4 pursuant to Section 8343 provide useful comparative information,
5 the Legislative Analyst and the Senate Office of Research shall
6 review the evaluation design, the baseline data, and the data
7 collection proposed in the subsidy plan of the county before the
8 plan is submitted to the local planning council for approval.

9 SEC. 97. Section 8342 of the Education Code is amended to
10 read:

11 8342. (a) The plan shall be submitted to the local planning
12 council for approval. Upon approval of the plan by the local
13 planning council, the county board of supervisors shall hold at
14 least one public hearing on the plan. Following the hearing, if the
15 county board of supervisors votes in favor of the plan, the plan
16 shall be submitted to the Child Development Division of the
17 department for review.

18 (b) Within 30 days of receiving the plan, the Child Development
19 Division shall review and either approve or disapprove the plan.

20 (c) Within 30 days of receiving any modification to the plan,
21 the Child Development Division shall review and either approve
22 or disapprove that modification to the plan.

23 (d) The Child Development Division may disapprove only those
24 portions of the plan or modifications to the plan that are not in
25 conformance with this article or that are in conflict with federal
26 law.

27 SEC. 98. Section 8343 of the Education Code is amended to
28 read:

29 8343. (a) Upon approval of the plan by the Child Development
30 Division, the County of San Mateo shall annually prepare and
31 submit to the Legislature, the State Department of Social Services,
32 and the department a report that summarizes the success of the
33 pilot project and the county’s ability to maximize the use of funds
34 and to improve and stabilize care in the county.

35 (b) On or before December 31, 2008, the County of San Mateo
36 shall submit a final report to the Legislature, the State Department
37 of Social Services, and the department summarizing the impact of
38 the plan on the care needs of working families.

39 ~~SEC. 99. Section 8344 of the Education Code is amended to~~
40 ~~read:~~

1 ~~8344. The County of San Mateo may implement its~~
2 ~~individualized county subsidy plan until January 1, 2014, at which~~
3 ~~date the County of San Mateo shall terminate the plan. Between~~
4 ~~January 1, 2014, and January 1, 2016, the County of San Mateo~~
5 ~~shall phase out the individualized county subsidy plan and, as of~~
6 ~~January 1, 2016, shall implement the state’s requirements for~~
7 ~~subsidies. A child enrolling for the first time for subsidized care~~
8 ~~in San Mateo County after January 1, 2014, shall not be enrolled~~
9 ~~in the pilot program established pursuant to this article and is~~
10 ~~subject to existing state laws and regulations regarding care~~
11 ~~eligibility and priority.~~

12 *SEC. 99. Section 8344 of the Education Code is amended to*
13 *read:*

14 8344. The County of San Mateo may implement its
15 individualized county-child care subsidy plan until January 1, 2015,
16 at which date the County of San Mateo shall terminate the plan.
17 Between January 1, 2015, and January 1, 2017, the County of San
18 Mateo shall phase out the individualized county-child care subsidy
19 plan and, as of January 1, 2017, shall implement the state’s
20 requirements for-child care subsidies. A child enrolling for the first
21 time for subsidized-child care in San Mateo County after January
22 1, 2015, shall not be enrolled in the pilot program established
23 pursuant to this article and is subject to existing state laws and
24 regulations regarding-child care eligibility and priority.

25 SEC. 100. The heading of Article 15.5 (commencing with
26 Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
27 Education Code is amended to read:

28
29 Article 15.5. Recipients of the CalWORKs Program
30

31 SEC. 101. Section 8350 of the Education Code is amended to
32 read:

33 8350. (a) It is the intent of the Legislature in enacting this
34 article to ensure that recipients of aid under Chapter 2 (commencing
35 with Section 11200) of Part 3 of Division 9 of the Welfare and
36 Institutions Code, or any successor program, and former recipients
37 who have left aid for employment, are connected as soon as
38 possible to local resources, make stable arrangements for services,
39 and continue to receive subsidized services after they no longer

1 receive aid as long as they require those services and meet the
2 eligibility requirements set forth in Sections 8263 and 8263.1.

3 (b) This article establishes three stages of child care services
4 through which a recipient of aid under Chapter 2 (commencing
5 with Section 11200) of Part 3 of Division 9 of the Welfare and
6 Institutions Code, or any successor program, will pass. Further, as
7 families' needs are met by county welfare departments and later
8 by other local early learning and educational support contractors,
9 it is the intent of the Legislature that families experience no break
10 in their services due to a transition between the three stages of
11 child care services.

12 SEC. 102. Section 8352 of the Education Code is amended to
13 read:

14 8352. (a) As soon as appropriate, a county welfare department
15 shall refer families needing services to the local resource and
16 referral program funded pursuant to Article 2 (commencing with
17 Section 8210). Resource and referral program staff shall collocate
18 with a county welfare department's case management office for
19 aid under Chapter 2 (commencing with Section 11200) of Part 3
20 of Division 9 of the Welfare and Institutions Code, or any successor
21 program, or arrange other means of swift communication with
22 parents and case managers of this aid. The local resource and
23 referral program shall assist families to establish stable
24 arrangements as soon as possible. These arrangements may include
25 licensed and license-exempt care.

26 (b) Information shall be provided to parents in the county of
27 service at the time the family is determined eligible for services,
28 and at recertification, by one of the following:

- 29 (1) An alternative payment program.
- 30 (2) A resource and referral program.
- 31 (3) A partnership between the alternative payment program and
32 the resource and referral program.

33 (c) The information provided by the program or partnership
34 shall be to assist parents in making informed choices about
35 available types of care that would both offer a safe, caring, and
36 age-appropriate early learning and educational support environment
37 for children, as well as support the parents' work activities,
38 including, but not limited to, information about high-quality early
39 learning and educational support options and resources specified
40 in this subdivision. The program or partnership may utilize

1 resources from a list posted on the department's Internet Web site
2 pursuant to subdivision (c) of Section 8206 if this list is available.
3 If the department does not create a list of resources pursuant to
4 subdivision (c) of Section 8206, the program or partnership may
5 develop local resources. These resources shall include, but are not
6 limited to, the following:

7 (1) Information regarding how to select services that meet the
8 needs of the parent and child.

9 (2) Information on licensing requirements and procedures for
10 child care centers and family child care homes.

11 (3) Trustline requirements for homes and providers exempt from
12 licensure.

13 (4) A range of possible early learning and educational support
14 options from which a parent may choose.

15 (5) Information on available care subsidies and eligibility
16 requirements.

17 (6) Quality indicators, including provider or educator training,
18 accreditation, staff stability, group size, ratio of children to staff,
19 environments that support the healthy development of children,
20 parent involvement, and communication between the parent and
21 provider.

22 (7) Information on quality rating and improvement systems,
23 where available.

24 (d) The program or partnership shall also provide parenting
25 information to parents.

26 (e) A program operating pursuant to this article shall, within
27 two business days of being notified of a revocation or a temporary
28 suspension order for a licensed child day care facility, do both of
29 the following:

30 (1) Terminate payment to the facility.

31 (2) Notify each parent and the facility in writing that payment
32 has been terminated and the reason for the termination.

33 (f) A program operating pursuant to this article shall, upon being
34 notified that a licensed child care facility has been placed on
35 probation, provide written notice to each parent utilizing the facility
36 that the facility has been placed on probation and that the parent
37 has the option of selecting a different provider or remaining with
38 the facility without risk of subsidy payments to the provider being
39 terminated. The Legislature urges each agency operating pursuant
40 to this section to provide the written notice required by this

1 subdivision in the primary language of the parent, to the extent
2 feasible.

3 SEC. 103. Section 8353 of the Education Code is amended to
4 read:

5 8353. (a) The second stage of child care begins when the
6 county determines that the recipient's work or approved work
7 activity is stable or when a recipient is transitioning off of aid and
8 care is available through a local stage two program. Second stage
9 child care may be provided to a family who elects to receive a
10 lump-sum diversion payment or diversion services under Section
11 11266.5 of the Welfare and Institutions Code when a funded space
12 is not immediately available for the family in third stage. The local
13 stage two agency shall assist in moving families to stage three as
14 quickly as feasible. Former CalWORKs recipients are eligible to
15 receive services in stage one and stage two for up to a total of no
16 more than 24 months after they leave cash aid, or until they are
17 otherwise ineligible within that 24-month period. Family size and
18 income for purposes of determining eligibility and calculating the
19 family fee shall be determined pursuant to Sections 8263 and
20 8263.1. A family leaving cash aid under the CalWORKs program
21 shall receive up to two years of care, if otherwise eligible, as
22 needed to continue the family's employment. The provision of the
23 two-year time limit is not intended to limit eligibility for care under
24 Section 8354.

25 (b) The second stage shall be administered by agencies
26 contracting with the department. These contractors may be either
27 agencies that have an alternative payment contract pursuant to
28 Section 8220.1 or county welfare departments that choose to
29 administer this stage in order to continue to provide services for
30 recipients or former recipients of aid. If the county chooses to
31 contract with the department to provide alternative payment
32 services, this contract shall not displace, or result in the reduction
33 of an existing contract of, a current alternative payment program.

34 SEC. 104. Section 8354 of the Education Code is amended to
35 read:

36 8354. (a) The third stage of child care begins when a funded
37 space is available. CalWORKs recipients are eligible for the third
38 stage of child care. Persons who received a lump-sum diversion
39 payment or diversion services and former CalWORKs participants
40 are eligible if they have an income that does not exceed 70 percent

1 of the state median income pursuant to Section 8263.1. The third
2 stage shall be administered by programs contracting with the
3 department. Parents' eligibility for services will be governed by
4 Section 8263 and regulations adopted by the department.

5 (b) In order to move welfare recipients and former recipients
6 from their relationship with county welfare departments to
7 relationships with institutions providing services to working
8 families, it is the intent of the Legislature that families that are
9 former recipients of aid, or are transitioning off aid, receive their
10 assistance in the same fashion as other low-income working
11 families. Therefore, it is the intent of the Legislature that families
12 no longer rely on county welfare departments to obtain subsidies
13 beyond the time they are receiving other services from the welfare
14 department.

15 (c) A county welfare department shall not administer the third
16 stage of child care for CalWORKs recipients except to the extent
17 to which it delivered those services to families receiving, or within
18 one year of having received, Aid to Families with Dependent
19 Children before the enactment of this section.

20 (d) This article does not preclude county welfare departments
21 from operating an alternative payment program under contract
22 with the department to serve families referred by child protective
23 services.

24 SEC. 105. Section 8355 of the Education Code is amended to
25 read:

26 8355. Child care during the third stage may be funded with
27 moneys dedicated to current and former recipients of aid under
28 Chapter 2 (commencing with Section 11200) of Part 3 of Division
29 9 of the Welfare and Institutions Code, or any successor program,
30 including the federal funds appropriated to alternative payment
31 program contractors in the 1996–97 fiscal year using the Budget
32 Act's Section 28 process as described in subdivision (b). Nothing
33 shall prevent services provided under stage three from being funded
34 with moneys from other federal or state sources. Nothing in this
35 article shall preclude current and former recipients of aid under
36 Chapter 2 (commencing with Section 11200) of Part 3 of Division
37 9 of the Welfare and Institutions Code, or any successor program,
38 from receiving services pursuant to other provisions of this chapter.

39 SEC. 106. Section 8356 of the Education Code is amended to
40 read:

1 8356. It is the intent of the Legislature that the department
2 work with Head Start and California state preschool programs to
3 generate extended-day and evening care for recipients of aid under
4 Chapter 2 (commencing with Section 11200) of Part 3 of Division
5 9 of the Welfare and Institutions Code, or any successor program,
6 through recruiting and training parents to be licensed and
7 license-exempt care providers and shall facilitate connections
8 between Head Start and California state preschool program
9 contractors and certificate administrators, including counties and
10 other alternative payment programs, so that funds available for
11 Sections 8351, 8353, and 8354 cover the cost of this care.

12 SEC. 107. Section 8357 of the Education Code is amended to
13 read:

14 8357. (a) The cost of services provided under this article shall
15 be governed by regional market rates. Recipients of services
16 provided pursuant to this article shall be allowed to choose the
17 services of licensed providers or providers who are, by law, not
18 required to be licensed, and the cost of that care shall be reimbursed
19 by counties or agencies that contract with the department if the
20 cost is within the regional market rate. For purposes of this section,
21 “regional market rate” means care costing no more than 1.5 market
22 standard deviations above the mean cost of care for that region.
23 The regional market rate ceilings shall be established at the 85th
24 percentile of the 2005 regional market rate survey for that region.

25 (b) Reimbursement to license-exempt providers shall not exceed
26 60 percent of the family child care home rate established pursuant
27 to subdivision (a), effective July 1, 2011.

28 (c) Reimbursement to providers shall not exceed the fee charged
29 to private clients for the same service.

30 (d) Reimbursement shall not be made for services if care is
31 provided by parents, legal guardians, or members of the assistance
32 unit.

33 (e) A provider located on an Indian reservation or rancheria and
34 exempted from state licensing requirements shall meet applicable
35 tribal standards.

36 (f) For purposes of this section, “reimbursement” means a direct
37 payment to the provider of services, including license-exempt
38 providers. If care is provided in the home of the recipient, payment
39 may be made to the parent as the employer, and the parent shall
40 be informed of his or her concomitant legal and financial reporting

1 requirements. To allow time for the development of the
2 administrative systems necessary to issue direct payments to
3 providers, for a period not to exceed six months from the effective
4 date of this article, a county or an alternative payment agency
5 contracting with the department may reimburse the cost of services
6 through a direct payment to a recipient of aid rather than to the
7 provider.

8 (g) Counties and alternative payment programs shall not be
9 bound by the rate limits described in subdivision (a) if there are,
10 in the region, no more than two providers of the type needed by
11 the recipient of services provided under this article.

12 (h) Notwithstanding any other law, reimbursements to providers
13 based upon a daily rate may only be authorized under either of the
14 following circumstances:

15 (1) A family has an unscheduled but documented need of six
16 hours or more per occurrence, such as the parent's need to work
17 on a regularly scheduled day off, that exceeds the certified need
18 for care.

19 (2) A family has a documented need of six hours or more per
20 day that exceeds no more than 14 days per month. In no event shall
21 reimbursements to a provider based on the daily rate over one
22 month's time exceed the provider's equivalent full-time monthly
23 rate or applicable monthly ceiling.

24 (3) This subdivision shall not limit providers from being
25 reimbursed for services using a weekly or monthly rate, pursuant
26 to subdivision (c) of Section 8222.

27 SEC. 108. Section 8358 of the Education Code is amended to
28 read:

29 8358. (a) The department and the State Department of Social
30 Services shall design a form for license-exempt providers to use
31 for certifying health and safety requirements to the extent required
32 by federal law. Until the form is adopted, the information required
33 pursuant to Section 11324 of the Welfare and Institutions Code
34 shall continue to be maintained by the county welfare department
35 or contractor, as appropriate.

36 (b) The department and the State Department of Social Services
37 shall do both of the following:

38 (1) Design a standard process for complaints by parents about
39 the provision of care that is exempt from licensure.

1 (2) Design, in consultation with local planning councils, a single
2 application for all early learning and educational support programs
3 and all families.

4 (c) (1) County welfare departments and alternative payment
5 programs shall encourage all providers who are licensed or who
6 are exempt from licensure and who are providing care under
7 Section 8351, 8353, or 8354, to secure training and education in
8 basic child development.

9 (2) Provider job training provided to CalWORKs recipients that
10 is funded by either the department or the State Department of
11 Social Services shall include information on becoming a licensed
12 provider.

13 (d) The department shall increase consumer education and
14 consumer awareness activities so that parents will have the
15 information needed to seek high-quality services. High-quality
16 services shall include both licensed and license-exempt care.

17 SEC. 109. Section 8358.5 of the Education Code is amended
18 to read:

19 8358.5. Notwithstanding any other confidentiality requirement,
20 the government or private agency administering subsidized care
21 services shall share information necessary for the administration
22 of the programs pursuant to this article and the CalWORKs
23 program pursuant to Chapter 2 (commencing with Section 11200)
24 of Part 3 of Division 9 of the Welfare and Institutions Code, for
25 the time period for which the person receives services.

26 SEC. 110. Section 8359.1 of the Education Code is amended
27 to read:

28 8359.1. (a) It is the intent of the Legislature in enacting this
29 article to provide sufficient funding through an appropriation in
30 the annual Budget Act to fund the estimated cost of providing care
31 for all individuals who are anticipated to need care to participate
32 in the welfare-to-work programs and to transition to work.

33 (b) Funding for purposes of implementing this article shall be
34 appropriated in the annual Budget Act.

35 SEC. 111. The heading of Article 16 (commencing with Section
36 8360) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
37 Education Code is amended to read:

38
39 Article 16. Early Learning and Educational Support Personnel
40 Qualifications

1 SEC. 112. Section 8360 of the Education Code is amended to
2 read:

3 8360. (a) Early learning and educational support programs
4 shall include a career ladder for instructional staff. The governing
5 board of each contracting agency shall be encouraged to provide
6 instructional staff and aides with salary increases for the successful
7 completion of early childhood education or child development
8 unit-based coursework and degrees.

9 (b) Any person who meets the following criteria is eligible to
10 serve in an instructional capacity in an early learning and
11 educational support program:

12 (1) Any person serving as a teacher in an early learning and
13 educational support program providing ~~direct~~ early learning
14 services shall possess a permit or credential issued by the
15 Commission on Teacher Credentialing, including, but not limited
16 to, one of the following:

17 (A) An associate teacher permit, or higher, authorizing service
18 in the care, development, and instruction of children in early
19 learning and educational support programs.

20 (B) A multiple subject credential with an authorization to teach
21 prekindergarten to grade 12, inclusive, in a self-contained
22 classroom.

23 (C) An elementary credential.

24 (D) A single subject credential in home economics.

25 (2) Any teacher qualifying under subparagraph (B), (C), or (D)
26 of paragraph (1) must also have completed 12 semester units in
27 early childhood education or child development, or both, or have
28 two years' experience in early childhood education or an early
29 learning and educational support program.

30 (3) Persons who are 18 years of age and older may be employed
31 as aides and may be eligible for salary increases upon the
32 completion of additional semester units in early childhood
33 education or child development.

34 SEC. 113. Section 8360.1 of the Education Code is repealed.

35 SEC. 114. Section 8360.1 is added to the Education Code, to
36 read:

37 8360.1. Except as waived under Section 8244, any entity
38 operating early learning and educational support programs
39 providing ~~direct~~ early learning services to children, pursuant to
40 Article 5 (commencing with Section 8228), at two or more sites,

1 shall employ a program director who possesses a permit or
2 credential issued by the Commission on Teacher Credentialing
3 authorizing supervision of an early learning and educational support
4 program, including, but not limited to:

- 5 (a) An administrative credential.
- 6 (b) A children's center supervision permit.
- 7 (c) A program director permit.
- 8 (d) A waiver issued by the Superintendent pursuant to Section
9 8244.

10 SEC. 115. Section 8360.2 of the Education Code is amended
11 to read:

12 8360.2. Not later than 95 days after the governing board of a
13 public agency sets the date a person employed by that board shall
14 begin service in a position requiring a permit or credential, that
15 person shall file, on or before that date, with the county
16 superintendent of schools a valid permit issued on or before that
17 date, authorizing him or her to serve in a position for which he or
18 she was employed. Upon renewal of that permit, that person shall
19 file that renewal with the county superintendent of schools no later
20 than 95 days after the renewal.

21 SEC. 116. Section 8400 of the Education Code is amended to
22 read:

23 8400. It has come to the attention of the Legislature that:

24 (a) Existing law does not provide for an administrative appeal
25 procedure to review and resolve disputes between the department
26 and the over 750 local contracting agencies that contract with the
27 department to provide early learning and educational support
28 services to low-income families in California.

29 (b) All disputes are currently resolved in the already
30 overburdened California courts resulting in a time-consuming and
31 costly process for both the contract agency and the department.
32 Extensive funds have been expended by the department for those
33 purposes.

34 (c) The presence of public and private agencies, small as well
35 as large, in the subsidized early learning and educational support
36 delivery system provides client families with a range of desirable
37 services, and cost-effective service mechanisms.

38 (d) The presence of an efficient administrative appeal procedure
39 will ensure program stability and encourage retention in the
40 delivery system of a range of service-providing agencies.

1 SEC. 117. Section 8401 of the Education Code is amended to
2 read:

3 8401. It is the intent of the Legislature to authorize an appeal
4 process for the resolution of disputes between the department and
5 local agencies that contract with the department pursuant to Section
6 8262 to provide early learning and educational support services
7 or to furnish property, facilities, personnel, supplies, equipment,
8 and administrative services.

9 SEC. 118. Section 8402 of the Education Code is amended to
10 read:

11 8402. The department shall provide an independent appeal
12 procedure to each contracting agency providing early learning and
13 educational support services pursuant to Section 8262. Before
14 filing an appeal petition, the contracting agency shall have
15 submitted all previously required standard monthly or quarterly
16 reporting forms to the department. The appeal procedure shall be
17 conducted by the Office of Administrative Hearings and shall be
18 provided upon petition of the contracting agency in any of the
19 following circumstances:

20 (a) Termination or suspension of a contracting agency's contract.

21 (b) Denial of more than 4 percent or twenty-five thousand dollars
22 (\$25,000), whichever is less, of a local contracting agency's
23 contracted payment for services schedule.

24 (c) Demand for remittance of an overpayment of more than 4
25 percent or twenty-five thousand dollars (\$25,000), whichever is
26 less, of a local contracting agency's annual contract.

27 SEC. 119. Section 8406.7 of the Education Code is amended
28 to read:

29 8406.7. (a) Any agency that evidences chronic fiscal or
30 program violations of a felony nature may have its contract
31 suspended or terminated immediately if there is documented
32 evidence of these violations, and upon review and recommendation
33 of the general counsel of the department. A fiscal or programmatic
34 violation constituting a breach of contract includes one or more
35 of the following:

36 (1) Fraud, or conspiracy to defraud.

37 (2) Misuse of state funds in violation of the State of California
38 Accounting Manual.

39 (3) Embezzlement.

40 (4) Threats of bodily or other harm to state officials.

- 1 (5) Bribery or attempted bribery of a state official.
- 2 (6) Unsafe or unhealthy physical environment or facility.
- 3 (7) Substantiated abuse or molestation of children.
- 4 (8) Failure to report suspected child abuse or molestation.
- 5 (9) Theft of supplies, equipment, or food.
- 6 (b) An agency contract terminated for cause retains appeal rights
- 7 in accordance with Section 8402.
- 8 (c) The department shall advise contractors of the provisions
- 9 of this section within 30 working days of its enactment.

10 SEC. 120. ~~Section 8447 of the Education Code is amended to~~
 11 ~~read:~~

12 ~~8447. (a) The Legislature hereby finds and declares that greater~~
 13 ~~efficiencies may be achieved in the execution of state-subsidized~~
 14 ~~early learning and educational support program contracts with~~
 15 ~~public and private agencies by the timely approval of contract~~
 16 ~~provisions by the Department of Finance, the Department of~~
 17 ~~General Services, and the State Department of Education and by~~
 18 ~~authorizing the State Department of Education to establish a~~
 19 ~~multiyear application, contract expenditure, and service review as~~
 20 ~~may be necessary to provide timely service while preserving audit~~
 21 ~~and oversight functions to protect the public welfare.~~

22 ~~(b) (1) The Department of Finance and the Department of~~
 23 ~~General Services shall approve or disapprove annual contract~~
 24 ~~funding terms and conditions, including both family fee schedules~~
 25 ~~and regional market rate schedules that are required to be adhered~~
 26 ~~to by contract, and contract face sheets submitted by the State~~
 27 ~~Department of Education not more than 30 working days from the~~
 28 ~~date of submission, unless unresolved conflicts remain between~~
 29 ~~the Department of Finance, the State Department of Education,~~
 30 ~~and the Department of General Services. The State Department of~~
 31 ~~Education shall resolve conflicts within an additional 30 working~~
 32 ~~day time period. Contracts and funding terms and conditions shall~~
 33 ~~be issued to contractors no later than June 1. Applications for new~~
 34 ~~early learning and educational support funding shall be issued not~~
 35 ~~more than 45 working days after the effective date of authorized~~
 36 ~~new allocations of child care moneys.~~

37 ~~(2) Notwithstanding paragraph (1), the State Department of~~
 38 ~~Education shall implement the regional market rate schedules~~
 39 ~~based upon the county aggregates, as determined by the regional~~
 40 ~~market rate survey conducted in 2005.~~

1 ~~(3) Notwithstanding paragraph (1), for the 2006–07 fiscal year,~~
2 ~~the State Department of Education shall update the family fee~~
3 ~~schedules by family size, based on the 2005 state median income~~
4 ~~survey data for a family of four. The family fee schedule used~~
5 ~~during the 2005–06 fiscal year shall remain in effect. However,~~
6 ~~the department shall adjust the family fee schedule for families~~
7 ~~that are newly eligible to receive or will continue to receive services~~
8 ~~under the new income eligibility limits. The family fees shall not~~
9 ~~exceed 10 percent of the family’s monthly income.~~

10 ~~(4) Notwithstanding any other law, the family fee schedule that~~
11 ~~was in effect for the 2007–08, 2008–09, 2009–10, and 2010–11~~
12 ~~fiscal years shall be adjusted to reflect the income eligibility limits~~
13 ~~specified in subdivision (b) of Section 8263.1 for the 2011–12~~
14 ~~fiscal year, and shall retain a flat fee per family. The revised family~~
15 ~~fee schedule shall begin at income levels at which families~~
16 ~~currently begin paying fees. The revised family fees shall not~~
17 ~~exceed 10 percent of the family’s monthly income. The State~~
18 ~~Department of Education shall first submit the adjusted fee~~
19 ~~schedule to the Department of Finance for approval in order to be~~
20 ~~implemented by July 1, 2011.~~

21 ~~(5) Notwithstanding any other law, the family fee schedule that~~
22 ~~was in effect for the 2011–12 fiscal year pursuant to paragraph (4)~~
23 ~~shall remain in effect for the 2012–13 fiscal year, and shall retain~~
24 ~~a flat fee per family.~~

25 ~~(6) It is the intent of the Legislature to fully fund the third stage~~
26 ~~of child care for former CalWORKs recipients.~~

27 ~~(e) With respect to subdivision (b), it is the intent of the~~
28 ~~Legislature that the Department of Finance annually review~~
29 ~~contract funding terms and conditions for the primary purpose of~~
30 ~~ensuring consistency between early learning and educational~~
31 ~~support contracts and the early learning and educational support~~
32 ~~budget. This review shall include evaluating any proposed changes~~
33 ~~to contract language or other fiscal documents to which the~~
34 ~~contractor is required to adhere, including those changes to terms~~
35 ~~or conditions that authorize higher reimbursement rates, that~~
36 ~~modify related adjustment factors, that modify administrative or~~
37 ~~other service allowances, or that diminish fee revenues otherwise~~
38 ~~available for services, to determine if the change is necessary or~~
39 ~~has the potential effect of reducing the number of full-time~~
40 ~~equivalent children that may be served.~~

1 ~~(d) Alternative payment programs, as set forth in Article 3~~
2 ~~(commencing with Section 8220), shall be subject to the rates~~
3 ~~established in the Regional Market Rate Survey of California Child~~
4 ~~Care Providers for provider payments. The State Department of~~
5 ~~Education shall contract to conduct and complete a regional market~~
6 ~~rate survey no more frequently than once every two years,~~
7 ~~consistent with federal regulations, with a goal of completion by~~
8 ~~March 1.~~

9 ~~(e) By March 1 of each year, the Department of Finance shall~~
10 ~~provide to the State Department of Education the state median~~
11 ~~income amount for a four-person household in California based~~
12 ~~on the best available data. The State Department of Education shall~~
13 ~~adjust its fee schedule for providers to reflect this updated state~~
14 ~~median income; however, no changes based on revisions to the~~
15 ~~state median income amount shall be implemented midyear.~~

16 ~~(f) Notwithstanding the June 1 date specified in subdivision (b),~~
17 ~~changes to the regional market rate schedules and fee schedules~~
18 ~~may be made at any other time to reflect the availability of accurate~~
19 ~~data necessary for their completion, provided these documents~~
20 ~~receive the approval of the Department of Finance. The Department~~
21 ~~of Finance shall review the changes within 30 working days of~~
22 ~~submission and the State Department of Education shall resolve~~
23 ~~conflicts within an additional 30 working day period. Contractors~~
24 ~~shall be given adequate notice before the effective date of the~~
25 ~~approved schedules. It is the intent of the Legislature that contracts~~
26 ~~for services not be delayed by the timing of the availability of~~
27 ~~accurate data needed to update these schedules.~~

28 ~~(g) Notwithstanding any other law, no family receiving~~
29 ~~CalWORKs cash aid may be charged a family fee.~~

30 *SEC. 120. Section 8447 of the Education Code is amended to*
31 *read:*

32 8447. (a) The Legislature hereby finds and declares that greater
33 efficiencies may be achieved in the execution of state subsidized
34 ~~child care and development~~ *early learning and educational support*
35 program contracts with public and private agencies by the timely
36 approval of contract provisions by the Department of Finance, the
37 Department of General Services, and the State Department of
38 Education and by authorizing the State Department of Education
39 to establish a multiyear application, contract expenditure, and
40 service review as may be necessary to provide timely service while

1 preserving audit and oversight functions to protect the public
2 welfare.

3 (b) (1) The Department of Finance and the Department of
4 General Services shall approve or disapprove annual contract
5 funding terms and conditions, including both family fee schedules
6 and regional market rate schedules that are required to be adhered
7 to by contract, and contract face sheets submitted by the State
8 Department of Education not more than 30 working days from the
9 date of submission, unless unresolved conflicts remain between
10 the Department of Finance, the State Department of Education,
11 and the Department of General Services. The State Department of
12 Education shall resolve conflicts within an additional 30 working
13 day time period. Contracts and funding terms and conditions shall
14 be issued to ~~child care~~ contractors no later than June 1. Applications
15 for new ~~child care~~ *early learning and educational support* funding
16 shall be issued not more than 45 working days after the effective
17 date of authorized new allocations of child care moneys.

18 (2) Notwithstanding paragraph (1), the State Department of
19 Education shall implement the regional market rate schedules
20 based upon the county aggregates, as determined by the ~~Regional~~
21 ~~Market~~ *regional market rate* survey conducted in 2005.

22 (3) It is the intent of the Legislature to fully fund the third stage
23 of child care for former CalWORKs recipients.

24 (c) With respect to subdivision (b), it is the intent of the
25 Legislature that the Department of Finance annually review
26 contract funding terms and conditions for the primary purpose of
27 ensuring consistency between ~~child care~~ *early learning and*
28 *educational support* contracts and the ~~child care~~ *early learning*
29 *and educational support* budget. This review shall include
30 evaluating any proposed changes to contract language or other
31 fiscal documents to which the contractor is required to adhere,
32 including those changes to terms or conditions that authorize higher
33 reimbursement rates, that modify related adjustment factors, that
34 modify administrative or other service allowances, or that diminish
35 fee revenues otherwise available for services, to determine if the
36 change is necessary or has the potential effect of reducing the
37 number of full-time equivalent children that may be served.

38 (d) Alternative payment ~~child care systems, programs~~, as set
39 forth in Article 3 (commencing with Section 8220), shall be subject
40 to the rates established in the Regional Market Rate Survey of

1 California Child Care Providers for provider payments. The State
2 Department of Education shall contract to conduct and complete
3 a ~~Regional Market Rate Survey~~ *regional market rate survey* no
4 more frequently than once every two years, consistent with federal
5 regulations, with a goal of completion by March 1.

6 (e) By March 1 of each year, the Department of Finance shall
7 provide to the State Department of Education the state median
8 income amount for a four-person household in California based
9 on the best available data. The State Department of Education shall
10 adjust its fee schedule for ~~child care~~ providers to reflect this
11 updated state median income; however, no changes based on
12 revisions to the state median income amount shall be implemented
13 midyear.

14 (f) Notwithstanding the June 1 date specified in subdivision (b),
15 changes to the regional market rate schedules and fee schedules
16 may be made at any other time to reflect the availability of accurate
17 data necessary for their completion, provided these documents
18 receive the approval of the Department of Finance. The Department
19 of Finance shall review the changes within 30 working days of
20 submission and the State Department of Education shall resolve
21 conflicts within an additional 30 working day period. Contractors
22 shall be given adequate notice before the effective date of the
23 approved schedules. It is the intent of the Legislature that contracts
24 for services not be delayed by the timing of the availability of
25 accurate data needed to update these schedules.

26 SEC. 121. Section 8448 of the Education Code is amended to
27 read:

28 8448. As used in this article:

29 (a) “Financial and compliance audit” means a systematic review
30 or appraisal to determine each of the following:

31 (1) Whether the financial statements of an audited organization
32 fairly present the financial position and the results of financial
33 operations in accordance with generally accepted accounting
34 principles.

35 (2) Whether the organization has complied with laws and
36 regulations that may have a material effect upon the financial
37 statements.

38 (b) “Public accountants” means certified public accountants, or
39 state licensed public accountants.

1 (c) “Independent auditors” means public accountants who have
2 no direct or indirect relationship with the functions or activities
3 being audited or with the business conducted by any of the officials
4 or contractors being audited.

5 (d) “Generally accepted auditing standards” means the auditing
6 standards set forth in the financial and compliance element of the
7 “Government Auditing Standards” issued by the Comptroller
8 General of the United States and incorporating the audit standards
9 of the American Institute of Certified Public Accountants.

10 (e) “Direct service contract” means any contract with any public
11 or private entity for early learning and educational support
12 programs, resource and referral programs, and programs contracting
13 to provide support services, as defined in Section 8208.

14 (f) “Nonprofit organization” means an organization described
15 in Section 501(c)(3) of the Internal Revenue Code of 1954 which
16 is exempt from taxation under Section 501(a) of that code, or any
17 nonprofit, scientific, or educational organization qualified under
18 Section 23701d of the Revenue and Taxation Code.

19 (g) (1) Annually, there shall be a single independent financial
20 and compliance audit of organizations that contract with the state
21 under a direct service contract. Any such audit shall include an
22 evaluation of the accounting and control systems of the direct
23 service contractor and of the activities by the contractor to comply
24 with the financial requirements of direct service contracts received
25 by the contractor from the state agency. The financial and
26 compliance requirements to be reviewed during the audit shall be
27 those developed and published by the department in consultation
28 with the Department of Finance. Audits carried out pursuant to
29 this section shall be audits of the contractor rather than audits of
30 individual contracts or programs. In the case of any contractor that
31 receives less than twenty-five thousand dollars (\$25,000) per year
32 from any state agency, the audit required by this section shall be
33 conducted biennially, unless there is evidence of fraud or other
34 violation of state law in connection with the direct service contract.
35 The cost of the audit may be included in direct service contracts.

36 (2) The organization receiving funds from the state shall be
37 responsible for obtaining the required financial and compliance
38 audits of the organization and any subcontractors, except for direct
39 service subcontracts and other subcontracts exempt from
40 department review, as agreed to by the Departments of Finance

1 and General Services. The audits shall be made by independent
2 auditors in accordance with generally accepted auditing standards.
3 The audit shall be completed by the 15th day of the fifth month
4 following the end of the contractor's fiscal year. A copy of the
5 required audit shall be filed with the department upon its
6 completion. In the event an audit is not filed, the department shall
7 notify the organization of the contract violation. The audit report
8 filed shall be an integral part of the direct service contract file.

9 (h) (1) Nothing in this article limits the authority of the
10 department to make audits of direct service contracts. However,
11 if independent audits arranged for by direct service contractors
12 meet generally accepted auditing standards, the department shall
13 rely on those audits and any additional audit work shall build upon
14 the work already done.

15 (2) Nothing in this article precludes the state from conducting,
16 or contracting for the conduct of, contract performance audits
17 which are not financial and compliance audits.

18 (3) Nothing in this article limits the state's responsibility or
19 authority to enforce state law or regulations, procedures, or
20 reporting requirements arising pursuant thereto.

21 (4) Nothing in this article limits the responsibility of the
22 department to provide an independent appeal procedure according
23 to the provisions of the Administrative Procedure Act (Chapter 5
24 (commencing with Section 11500) of Part 1 of Division 3 of Title
25 2) of the Government Code.

26 SEC. 122. Section 8450 of the Education Code is amended to
27 read:

28 8450. (a) All early learning and educational support contractors
29 are encouraged to develop and maintain a reserve within the child
30 development fund, derived from earned but unexpended funds.
31 Contractors may retain all earned funds. For the purpose of this
32 section, "earned funds" are those for which the required number
33 of eligible service units have been provided.

34 (b) (1) Earned funds shall not be expended for any activities
35 proscribed by Section 8406.7. Earned but unexpended funds shall
36 remain in the contractor's reserve account within the child
37 development fund and shall be expended only by ~~direct~~ direct early
38 learning services *contractors* that are funded under contract with
39 the department.

1 (2) Commencing July 1, 2011, a contractor may retain a reserve
2 fund balance, separate from the reserve fund retained pursuant to
3 subdivision (c) or (d), equal to 5 percent of the sum of the
4 maximum reimbursable amounts of all contracts to which the
5 contractor is a party, or two thousand dollars (\$2,000), whichever
6 is greater. This paragraph applies to ~~direct~~ early learning services
7 *contractors* that are funded under contract with the department.

8 (c) Notwithstanding subdivisions (a) and (b), a contractor may
9 retain a reserve fund balance for a resource and referral program,
10 separate from the balance retained pursuant to subdivision (b) or
11 (d), not to exceed 3 percent of the contract amount. Funds from
12 this reserve account may be expended only by resource and referral
13 programs that are funded under contract with the department.

14 (d) Notwithstanding subdivisions (a) and (b), a contractor may
15 retain a reserve fund balance for alternative payment model and
16 certificate contracts, separate from the reserve fund retained
17 pursuant to subdivisions (b) and (c). Funds from this reserve
18 account may be expended only by alternative payment model and
19 certificate programs that are funded under contract with the
20 department. The reserve amount allowed by this section may not
21 exceed either of the following, whichever is greater:

22 (1) Two percent of the sum of the parts of each contract to which
23 that contractor is a party that is allowed for administration pursuant
24 to Section 8276.7 and that is allowed for supportive services
25 pursuant to the provisions of the contract.

26 (2) One thousand dollars (\$1,000).

27 (e) Each contractor's audit shall identify any funds earned by
28 the contractor for each contract through the provision of contracted
29 services in excess of funds expended.

30 (f) Any interest earned on reserve funds shall be included in the
31 fund balance of the reserve. This reserve fund shall be maintained
32 in an interest-bearing account.

33 (g) Moneys in a contractor's reserve fund may be used only for
34 expenses that are reasonable and necessary costs as defined in
35 subdivision (l) of Section 8208.

36 (h) Any reserve fund balance in excess of the amount authorized
37 pursuant to subdivisions (b), (c), and (d) shall be returned to the
38 department pursuant to procedures established by the department.

39 (i) Upon termination of all early learning and educational
40 support contracts between a contractor and the department, all

1 moneys in a contractor’s reserve fund shall be returned to the
2 department pursuant to procedures established by the department.

3 (j) Expenditures from, additions to, and balances in, the reserve
4 fund shall be included in the agency’s annual financial statements
5 and audit.

6 SEC. 123. Section 8493 of the Education Code is amended to
7 read:

8 8493. It is the intent of the Legislature that funds be
9 appropriated for capital outlay for purposes of providing facilities
10 for services provided pursuant to this chapter, including, but not
11 limited to, all of the following purposes:

12 (a) For the purchase of relocatable facilities by the state for lease
13 to qualifying contracting agencies in areas with no available
14 economically practical or feasible early learning and educational
15 support facilities.

16 (b) For renovation and repair of early learning and educational
17 support facilities in order to comply with state and local health
18 and safety standards and licensing requirements, without
19 unnecessarily increasing the value of the facility.

20 SEC. 124. Section 8494 of the Education Code is amended to
21 read:

22 8494. (a) All of the following programs, other than those
23 providing extended care services, shall be eligible to receive a loan
24 for the renovation and repair of facilities used for the program or
25 to lease relocatable facilities to be used for the program:

26 (1) Private nonprofit programs currently, or soon to be, under
27 contract with the department pursuant to Section 8262.

28 (2) Early learning and educational support programs conducted
29 pursuant to Article 4 (commencing with Section 8225).

30 (3) Early learning and educational support programs operated
31 by, or in a facility owned by, a public entity.

32 (4) Early learning and educational support programs conducted
33 pursuant to Article 7.1 (commencing with Section 54740) of
34 Chapter 9 of Part 29.

35 (b) A recipient of a loan pursuant to this section shall document
36 that the renovated facility shall comply with all laws and
37 regulations applicable to child care facilities provided for pursuant
38 to Chapter 3.4 (commencing with Section 1596.70) and Chapter
39 3.5 (commencing with Section 1596.90) of Division 2 of the Health
40 and Safety Code.

1 (c) A recipient of a loan pursuant to this section shall ensure
2 the board that the renovated facility shall be used for purposes of
3 the program for the entire loan period, which shall be determined
4 by the board as follows:

5 (1) For loans equal to or less than thirty thousand dollars
6 (\$30,000), not less than three years.

7 (2) For loans exceeding thirty thousand dollars (\$30,000), the
8 loan period shall increase one year for each additional ten thousand
9 dollars (\$10,000) or part thereof, to a maximum of fifty thousand
10 dollars (\$50,000).

11 (d) Interest on the loan principal shall be charged at a rate equal
12 to the average of the interest rate applied to the last three bond
13 sales pursuant to Chapter 21.6 (commencing with Section 17695)
14 of Part 10.

15 (e) In the event that a recipient ceases to use the renovated
16 facility for purposes of the program before the expiration of the
17 loan period, the board shall collect the entire outstanding balance
18 of the loan, plus interest, notwithstanding the loan period originally
19 set pursuant to subdivision (c), unless the board deems it
20 appropriate to waive repayment at that time.

21 (f) If the renovated facility has been continuously used for
22 purposes of the program for the entire loan period, the board shall
23 waive repayment of the amount of the loan principal, plus interest,
24 at the end of the loan period.

25 SEC. 125. Section 8495 of the Education Code is amended to
26 read:

27 8495. (a) There is hereby created in the State Treasury the
28 State Child Care Capital Outlay Fund. Notwithstanding Section
29 13340 of the Government Code, all moneys in the State Child Care
30 Capital Outlay Fund, including moneys deposited in that fund from
31 any source whatsoever, shall be continuously appropriated without
32 regard to fiscal year for expenditure pursuant to this article. The
33 fund shall be administered by the State Allocation Board, which
34 may authorize the expenditure of any moneys in the fund for capital
35 outlay projects pursuant to Section 8277.7 or this article. Funds in
36 the State Child Care Facilities Fund set aside for the purposes of
37 providing extended day care facilities pursuant to Section 8477
38 shall be transferred to the State Child Care Capital Outlay Fund
39 upon the effective date of the act amending this section in the
40 1997–98 Regular Session.

1 (b) The Superintendent shall establish the qualifications to
2 determine the eligibility of agencies, including those that provide
3 preschool and extended day care services, to lease relocatable
4 facilities under this section.

5 (c) Although primary use of relocatable facilities shall be for
6 early learning and educational support programs, including
7 preschool and extended day care programs, those facilities may
8 be used for other purposes if the following conditions are met:

9 (1) The alternative use of the facility does not infringe upon the
10 accessibility of early learning and educational support programs
11 including preschool or extended day care programs.

12 (2) The Superintendent authorizes alternative use as being
13 compatible with early learning and educational support programs,
14 including preschool or extended day care programs.

15 (d) The State Allocation Board, with the advice of the
16 Superintendent, may do all of the following:

17 (1) Establish any procedures and policies in connection with
18 the administration of this section that it deems necessary.

19 (2) Adopt any rules and regulations for the administration of
20 this section requiring those procedures, forms, and information
21 that it deems necessary.

22 (3) Have constructed, furnished, equipped, or otherwise require
23 whatever work is necessary to place relocatable facilities for early
24 learning and educational support services, including preschool and
25 extended day care services where needed.

26 (e) The board shall lease relocatable facilities to qualifying
27 agencies providing early learning and educational support services,
28 including preschool or extended day care services, and shall charge
29 rent of one dollar (\$1) per year. The board shall require lessees to
30 undertake all necessary maintenance, repairs, renewal, and
31 replacement to ensure that a project is at all times kept in good
32 repair, working order, and condition. All costs incurred for this
33 purpose shall be borne by the lessee. Neither the board nor the
34 state shall assume any responsibility for utility services costs other
35 than initial installation costs reimbursed under this article, and the
36 agency shall provide adequate safeguards to protect the state's
37 interest in this regard.

38 (f) The board shall require lessees to insure at their own expense
39 for the benefit of the state, any leased relocatable facility that is
40 the property of the state, against any risks, including liability from

1 the use thereof, in the amounts the board deems necessary to protect
2 the interests of the state. Neither the board nor the state shall
3 assume any responsibility for utility services costs other than initial
4 installation costs reimbursed under this article, and the agency
5 shall provide adequate safeguards to protect the state's interest in
6 this regard.

7 (g) Relocatable facilities shall not be made available to an
8 agency unless the agency furnishes evidence, satisfactory to the
9 board, that the agency has no other facility available for rental,
10 lease, or purchase in the geographic service area that is
11 economically or otherwise feasible.

12 (h) The board shall have prepared for its use, performance
13 specifications for relocatable facilities and bids for their
14 construction that can be solicited from more than one responsible
15 bidder. The board shall from time to time solicit bids from, and
16 award to, the lowest responsible competitive bidder, contracts for
17 the construction or purchase of relocatable facilities that have been
18 approved for lease to eligible agencies that provide early learning
19 and educational support services, including preschool or extended
20 day care services.

21 (i) If at any time the board determines that a lessee's need for
22 particular relocatable facilities that were made available to the
23 lessee pursuant to this article has ceased, the board may take
24 possession of the relocatable facilities and may lease them to other
25 eligible contracting agencies, or, if there is no longer a need for
26 the relocatable facilities, the board may dispose of them to public
27 or private parties in the manner it deems to be in the best interests
28 of the state.

29 (j) If a lessee uses a particular relocatable facility for only a
30 portion of the year, the board may enter into a second lease with
31 a public or private party for the use of that facility for the portion
32 of the year during which the facility would otherwise be unused,
33 in the manner it deems to be in the best interests of the state. The
34 lessee shall be subject to subdivisions (d) and (f).

35 SEC. 126. Section 8495.1 of the Education Code is amended
36 to read:

37 8495.1. (a) The State Allocation Board shall establish
38 regulations for the allocation of funds for capital outlay and for
39 the reimbursement of initial utility installation costs for purposes
40 of this chapter. The Superintendent shall establish qualifications

1 for determining the eligibility of agencies providing early learning
2 and educational support services, including preschool and extended
3 day care service, to apply for these funds.

4 (b) Notwithstanding any other law, except for Section 8477,
5 priority in funding of capital outlay grants or relocatables from
6 funds administered pursuant to Section 8277.7 and under this
7 article, shall be determined in the following order:

8 (1) Programs experiencing emergencies as defined by the
9 Superintendent and the State Allocation Board.

10 (2) Facilities lost due to the Class Size Reduction Program
11 (Chapter 6.10 (commencing with Section 52120) of Part 28).

12 (3) Expansion of early learning and educational support services.
13 SEC. 127. Section 8498 of the Education Code is amended to
14 read:

15 8498. (a) The State Allocation Board may use up to 5 percent
16 of any appropriation for purposes of this article to provide loans
17 to private nonsectarian early learning and educational support
18 programs not under contract with the department for renovation
19 and repair of existing program facilities, in accordance with this
20 section.

21 (b) The Superintendent shall establish qualifications to determine
22 the eligibility of agencies for loans pursuant to this section.

23 (c) The board, with any necessary assistance from the
24 Superintendent, may do any of the following:

25 (1) Establish procedures and policies in connection with the
26 administration of this section it deems necessary.

27 (2) Adopt rules and regulations for the administration of this
28 section requiring procedure, forms, and information it deems
29 necessary.

30 (d) A recipient of a loan pursuant to this section shall do all of
31 the following:

32 (1) Document that the renovated facility shall comply with all
33 laws and regulations applicable to child care facilities provided
34 for pursuant to Chapter 3.4 (commencing with Section 1596.70)
35 and Chapter 3.5 (commencing with Section 1596.90) of Division
36 2 of the Health and Safety Code.

37 (2) Demonstrate to the satisfaction of the board that it will have
38 sufficient revenues to pay the principal and interest on the loan
39 and to maintain the operation of the child care facility.

1 (e) A recipient of a loan pursuant to this section shall ensure
2 the board that the renovated facility shall be used for purposes of
3 the program for the following periods:

4 (1) For loans equal to or less than thirty thousand dollars
5 (\$30,000), not less than three years from the beginning of the loan
6 period.

7 (2) For loans exceeding thirty thousand dollars (\$30,000), the
8 fixed period of time shall increase one year for each additional ten
9 thousand dollars (\$10,000) or part thereof, to a maximum of fifty
10 thousand dollars (\$50,000).

11 (f) The board shall set the period of the loan for each recipient,
12 up to a maximum of 10 years, based upon the amount of the loan,
13 the recipient's ability to repay the loan, and the length of time the
14 recipient has committed to use the renovated facility for purposes
15 of the program.

16 (g) Interest on the loan principal shall be charged at a rate equal
17 to the average of the interest rate applied to the last three bond
18 sales pursuant to Chapter 21.6 (commencing with Section 17695)
19 of Part 10.

20 (h) In the event that a recipient ceases to use the renovated
21 facility for purposes of the program before the expiration of the
22 period specified pursuant to subdivision (e), the board shall collect
23 the entire outstanding balance of the loan, plus interest,
24 notwithstanding the loan period originally set pursuant to
25 subdivision (f).

26 SEC. 128. Section 8499 of the Education Code is amended to
27 read:

28 8499. For purposes of this chapter, the following definitions
29 shall apply:

30 (a) "Block grant" means the block grant contained in Title VI
31 of the Child Care and Development Fund, as established by the
32 federal Personal Responsibility and Work Opportunity
33 Reconciliation Act of 1996 (Public Law 104-193).

34 (b) "Child care" means all licensed early learning and
35 educational support services and license-exempt child care,
36 including, but not limited to, private for-profit programs, nonprofit
37 programs, and publicly funded programs, for all children from
38 birth to 13 years of age, including children with exceptional needs
39 and children from all linguistic and cultural backgrounds.

1 (c) “Child care provider” means a person who provides child
2 care services or represents persons who provide child care services.

3 (d) “Community representative” means a person who represents
4 an agency or business that provides private funding for child care
5 services, or who advocates for child care services through
6 participation in civic or community-based organizations but is not
7 a child care provider and does not represent an agency that
8 contracts with the State Department of Education to provide early
9 learning and educational support services.

10 (e) “Consumer” means a parent or person who receives, or who
11 has received within the past 36 months, child care services.

12 (f) “Department” means the State Department of Education.

13 (g) “Local planning council” means a local early learning and
14 educational support planning council as described in Section
15 8499.3.

16 (h) “Public agency representative” means a person who
17 represents a city, county, city and county, or local educational
18 agency.

19 SEC. 129. The heading of Article 2 (commencing with Section
20 8499.3) of Chapter 2.3 of Part 6 of Division 1 of Title 1 of the
21 Education Code is amended to read:

22

23 Article 2. Membership and Funding of Local Planning Councils

24

25 SEC. 130. Section 8499.3 of the Education Code is amended
26 to read:

27 8499.3. (a) It is the intent of the Legislature that local planning
28 councils shall provide a forum for the identification of local
29 priorities for early learning and educational support and the
30 development of policies to meet the needs identified within those
31 priorities.

32 (b) The county board of supervisors and the county
33 superintendent of schools shall do both of the following:

34 (1) Select the members of the local planning council. Before
35 making selections pursuant to this subdivision, the county board
36 of supervisors and the county superintendent of schools shall
37 publicize their intention to select the members and shall invite
38 local organizations to submit nominations. In counties in which
39 the county superintendent is appointed by the county board of
40 education, the county board of education may make the

1 appointment or may delegate that responsibility to the
2 superintendent.

3 (2) Establish the term of appointment for the members of the
4 local planning council.

5 (c) (1) The local planning council shall be comprised as follows:

6 (A) Twenty percent of the membership shall be consumers.

7 (B) Twenty percent of the membership shall be providers,
8 reflective of the range of providers in the county.

9 (C) Twenty percent of the membership shall be public agency
10 representatives.

11 (D) Twenty percent of the membership shall be community
12 representatives, who shall not be providers or agencies that contract
13 with the department to provide services.

14 (E) The remaining 20 percent shall be appointed at the discretion
15 of the appointing agencies.

16 (2) The county board of supervisors and the county
17 superintendent of schools shall each appoint one-half of the
18 members. In the case of uneven membership, both appointing
19 entities shall agree on the odd-numbered appointee.

20 (d) Every effort shall be made to ensure that the ethnic, racial,
21 and geographic composition of the local planning council is
22 reflective of the ethnic, racial, and geographic distribution of the
23 population of the county.

24 (e) The county board of supervisors and county superintendent
25 of schools may designate an existing planning council or
26 coordinated child and family services council as the local planning
27 council, as long as it has or can achieve the representation set forth
28 in this section.

29 (f) Upon establishment of a local planning council, the local
30 planning council shall elect a chair and select a staff.

31 (g) Each local planning council shall develop and implement a
32 training plan to provide increased efficiency, productivity, and
33 facilitation of local planning council meetings. This may include
34 developing a training manual, hiring facilitators, and identifying
35 strategies to meet the objectives of the council.

36 (h) A member of a local planning council shall not participate
37 in a vote if he or she has a proprietary interest in the outcome of
38 the matter being voted upon.

39 SEC. 131. Section 8499.5 of the Education Code is amended
40 to read:

1 8499.5. (a) The department shall allocate funding pursuant to
2 Chapter 2 (commencing with Section 8200) based on the amount
3 of state and federal funding that is available.

4 (b) By May 30 of each year, upon approval by the county board
5 of supervisors and the county superintendent of schools, a local
6 planning council shall submit to the department the local priorities
7 it has identified that reflect all child care needs in the county. To
8 accomplish this, a local planning council shall do all of the
9 following:

10 (1) Conduct an assessment of child care needs in the county no
11 less than once every five years. The department shall define and
12 prescribe data elements to be included in the needs assessment and
13 shall specify the format for the data reporting. The needs
14 assessment shall also include all factors deemed appropriate by
15 the local planning council in order to obtain an accurate picture of
16 the comprehensive child care needs in the county. The factors
17 include, but are not limited to, all of the following:

18 (A) The needs of families eligible for subsidized care.

19 (B) The needs of families not eligible for subsidized care.

20 (C) The waiting lists for programs funded by the department
21 and the State Department of Social Services.

22 (D) The need for care for children determined by the child
23 protective services agency to be neglected, abused, or exploited,
24 or at risk of being neglected, abused, or exploited.

25 (E) The number of children in families receiving public
26 assistance, including CalFresh benefits, housing support, and
27 Medi-Cal, and assistance from the Healthy Families Program and
28 the Temporary Assistance for Needy Families (TANF) program.

29 (F) Family income among families with preschool or schoolage
30 children.

31 (G) The number of children in migrant agricultural families
32 who move from place to place for work or who are currently
33 dependent for their income on agricultural employment in
34 accordance with subdivision (a) of Section 8231.

35 (H) The number of children who have been determined by a
36 regional center to require services pursuant to an individualized
37 family service plan, or by a local educational agency to require
38 services pursuant to an individualized education program or an
39 individualized family service plan.

1 (I) The number of children in the county by primary language
2 spoken pursuant to the department's language survey.

3 (J) Special needs based on geographic considerations, including
4 rural areas.

5 (K) The number of children needing services by age cohort.

6 (2) Document information gathered during the needs assessment
7 that shall include, but need not be limited to, data on supply,
8 demand, cost, and market rates for each category of child care in
9 the county.

10 (3) Develop a draft of local priorities for early learning and
11 educational support program funding that ~~shall include~~ *includes*
12 the needs assessment in paragraph (1) and ~~shall consider that~~
13 *considers* the resources currently available in attendance areas of
14 elementary schools ranked in deciles 1 to 3, inclusive, of the
15 Academic Performance Index pursuant to Section 52056.

16 (4) Encourage public input in the development of the priorities.
17 Opportunities for public input shall include at least one public
18 hearing during which members of the public can comment on the
19 proposed priorities.

20 (5) Prepare a comprehensive countywide child care plan
21 designed to mobilize public and private resources to address
22 identified needs.

23 (6) Conduct a periodic review of early learning and educational
24 support programs funded by the department and the State
25 Department of Social Services to determine if identified priorities
26 are being met.

27 (7) Collaborate with subsidized and nonsubsidized providers,
28 county welfare departments, human service agencies, regional
29 centers, job training programs, employers, integrated child and
30 family service councils, local and state children and families
31 commissions, parent organizations, early start family resource
32 centers, family empowerment centers on disability, local resource
33 and referral programs, and other interested parties to foster
34 partnerships designed to meet local child care needs.

35 (8) Design a system to consolidate local child care waiting lists,
36 if a centralized eligibility list is not already in existence.

37 (9) Coordinate part-day programs, including California state
38 preschool and Head Start, with other early learning and educational
39 support services to provide full-day care.

- 1 (10) Submit the results of the needs assessment and the local
2 priorities identified by the local planning council to the county
3 board of supervisors and the county superintendent of schools for
4 approval before submitting them to the department.
- 5 (11) Identify at least one, but not more than two, members to
6 serve as part of the department team that reviews and scores
7 proposals for the provision of services funded through contracts
8 with the department. Local planning council representatives may
9 not review and score proposals from the geographic area covered
10 by their own local planning council. The department shall notify
11 each local planning council whenever this opportunity is available.
- 12 (c) The department shall, in conjunction with the State
13 Department of Social Services and all appropriate statewide
14 agencies and associations, develop guidelines for use by local
15 planning councils to assist them in conducting needs assessments
16 that are reliable and accurate. The guidelines shall include
17 acceptable sources of demographic and child care data, and
18 methodologies for assessing child care supply and demand.
- 19 (d) The department shall allocate funding within each county
20 in accordance with the priorities identified by the local planning
21 council of that county and submitted to the department pursuant
22 to this section, unless the priorities do not meet the requirements
23 of state or federal law.
- 24 (e) When additional funds for ~~direct~~ early learning services are
25 appropriated by the Legislature, the department shall allocate
26 funding within each county in accordance with the priorities that
27 include the review of resources in the attendance areas of
28 elementary schools ranked in deciles 1 to 3, inclusive, of the
29 Academic Performance Index pursuant to Section 52056, as
30 identified by the local planning council of that county and
31 submitted to the department pursuant to paragraph (3) of
32 subdivision (b), unless the priorities do not meet the requirements
33 of state or federal law.